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**1988-89**

**Ontario  
Council on  
University  
Affairs**

**Fifteenth  
Annual  
Report**





# **Ontario Council on University Affairs**

## **Fifteenth Annual Report March 1, 1988 to February 28, 1989**

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March, 1989





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# Summary: Letter of Transmittal



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February 28, 1989

The Honourable Lyn McLeod  
Minister  
Ministry of Colleges and Universities  
13th Floor  
101 Bloor Street West  
Toronto, Ontario  
M5S 1P7

Dear Minister:

I respectfully submit herewith the Fifteenth Annual Report of the Ontario Council on University Affairs, which covers the period from March 1st, 1988 to February 28th, 1989.

Each year Council is called upon to provide advice on the global funding required by the university system and the allocation of available funds among institutions; the eligibility of new graduate and undergraduate programs for funding; and upon matters referred to it which pertain either to one institution or the system as a whole. The threefold nature of Council's advisory responsibility - financial, regulatory, and ministerial references - is reflected in the Advisory Memoranda you received and responded to during 1988-89.

In 88-IV Council set forth its recommendations for Government Support of the University System in 1989-90, to which government responded through the Treasurer's announcement and your statement in the House, December 12, 1988. The total amount provided to the universities fell short of Council's recommendation of base level support, but on the other hand, specific funds for accessibility and other targetted purposes were made available.

As will be noted in these pages, 1988-89 was a year in which the Ministry and the Council attempted to come to terms with a major increase in demand for admission to the provincially-assisted universities. Advice was sought from Council in a general way as to what principles might guide future accessibility. Council's first thoughts on this question are contained in Advisory Memorandum 88-I.

A special funding envelope to assist universities in the start up of new, high priority programs and the phasing out of others was established on Council's advice in 1987. The first allocations from this envelope were distributed formulaically. In 1988, however, the Program Adjustments Envelope became a challenge fund. Institutions submitted various proposals, which were in turn measured against priorities declared by government and adjudicated by a sub-committee of OCUA. The results of that competition are presented in Advisory Memorandum 88-VII.

Several other funding issues with system-wide implications were also dealt with by Council in 1988-89. The basis of calculating the size and distribution of the envelope for institutions in the North was reviewed in Advisory Memorandum 88-III. The policy of distributing the International Graduate Student Differential Fee Waivers received attention in Advisory Memorandum 88-V, and the value and number of Ontario Graduate Scholarships was the subject of Advisory Memorandum 88-VI.

In Advisory Memorandum 88-X new and existing programs at the graduate level were recommended on by Council, with the advice of the Academic Advisory Committee. A memorandum on undergraduate professional, quasi-professional and special programs was presented in March and will appear in next year's annual report. New Ryerson degree and diploma programs must be presented to OCUA for review. One of the first programs to be subjected to the special review procedures adopted in Advisory Memorandum 84-V was dealt with in Advisory Memorandum 88-XI.

Council was asked for advice on the direct costs of operating programs in the co-op format, which Council reported on in Advisory Memorandum 88-II. Advice on a mission statement, program focus, financial controls, and extra-formula grant for Algoma College was developed in Advisory Memorandum 88-VIII.

Finally, government set aside \$4 million in 1989-90 to enhance access to the provincially-assisted universities for under-represented groups. Council considered the distribution of these funds very carefully and advised that this sum should be allocated to the institutions to provide special services to improve access for disabled students.

May I say that Council is gratified that you have responded positively to the advice you have sought. A score-card of the extent to which our advice has been acted on has been included as usual, along with several of your letters of response to Advisory Memoranda. On behalf of my colleagues on Council, it has been a pleasure working with you to improve the quality and accessibility of higher education in the Province of Ontario.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'H.V. Nelles', with a long, sweeping horizontal line extending to the right.

Dr. H.V. Nelles,  
Chairman



# Sommaire de la lettre de transmission



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Le 28 février 1989

Honorable Lyn McLeod  
Ministre  
Ministère des Collèges et Universités  
1, rue Bloor ouest, 13<sup>e</sup> étage  
Toronto (Ontario)  
M5S 1P7

Madame la ministre:

J'ai l'honneur de vous présenter le quinzième rapport annuel du Conseil ontarien des affaires universitaires, portant sur la période du 1<sup>er</sup> mars 1988 au 28 février 1989.

Chaque année, le Conseil communique à la ministre ses recommandations sur le financement global du système universitaire et la répartition des subventions entre les universités; l'admissibilité des nouveaux programmes d'études au financement (1<sup>er</sup>, 2<sup>e</sup> et 3<sup>e</sup> cycles); et sur toute autre question concernant une université en particulier ou tout le réseau. Les trois aspects de la fonction consultative du Conseil - financier, régulateur ministériel - sont réitérés dans la note consultative que vous avez reçue en 1988-1989 et à laquelle vous avez déjà répondu.

Dans ce document, numéroté 88-IV, le Conseil a soumis ses recommandations relativement au financement public du réseau universitaire en 1989-1990, les recommandations auxquelles le gouvernement a répondu lors du discours du trésorier et de votre allocution à l'Assemblée législative, le 12 décembre 1988. Le montant global de la subvention de base accordée aux universités ne correspondait pas à celui commandé par le Conseil; en revanche, le gouvernement a créé des fonds spéciaux pour l'accessibilité et d'autres programmes spécifiques.

Comme vous le verrez en lisant le présent rapport, l'année 1988-1989 a été marquée par la volonté du ministère et du Conseil de faire face à l'augmentation considérable des inscriptions aux universités financées par les deniers publics. Le ministère a donc consulté le Conseil quant aux principes d'orientation qui, à l'avenir, devraient faciliter l'accès aux études. Les réflexions du Conseil ont été consignées dans la note consultative 88-I.

En 1987, suite à une recommandation du Conseil, le ministère a institué une enveloppe spéciale pour aider les universités à mettre sur pied de nouveaux programmes d'études dans les secteurs prioritaires et à en éliminer d'autres. Les premières subventions ont été distribuées selon une formule. Mais, en 1988, l'enveloppe d'ajustement dans la prestation des programmes s'est transformée en un «plan de priorités». Dans un premier temps, les établissements soumettaient leurs projets; puis, un sous-comité du COAU les examinait par rapport aux priorités que s'est fixé le gouvernement et déterminait lesquels seraient financés. Les résultats de cette sélection sont inclus à la note consultative 88-VII.

Bien d'autres questions relatives au financement et pouvant avoir des répercussions à l'échelle du réseau ont été étudiées par le Conseil en 1988-1989. Ainsi, la note consultative 88-III traite du calcul, du montant et de la répartition des subventions pour les universités du Nord de la province, tandis que la note consultative 88-V examine la politique relative à l'exemption pour les étudiants étrangers des 2<sup>e</sup> et 3<sup>e</sup> cycles d'une partie des frais de scolarité et que la note consultative 88-VI porte sur le nombre de bourses d'études supérieures de l'Ontario qui sont décernées et leur valeur.

Dans sa note consultative 88-X, le Conseil a émis ses recommandations sur de nouveaux programmes d'études et sur ceux déjà en place, après avoir consulté le Comité consultatif des affaires universitaires. En mars dernier, le Conseil a présenté une note consultative sur les programmes du premier cycle en études professionnelles, quasi professionnelles et sur les programmes spéciaux. Cette note consultative sera incluse au prochain rapport annuel du Conseil. Les nouveaux programmes menant à un diplôme ou à grade universitaire que veut offrir l'institut polytechnique Ryerson doivent désormais, être examinés par le COAU. La note consultative 88-XI émise par le Conseil traite d'un des premiers programmes à faire l'objet de cet examen spécial, qui avait été adopté dans la note consultative 84-V.

Le ministère avait aussi demandé au Conseil d'étudier la question des frais directs entraînés par la prestation des programmes d'éducation coopérative, ce dont traite la note consultative 88-II. D'autre part, le Conseil a déterminé, dans la note consultative 88-VIII, quels devraient être le mandat, les priorités du programme, les règles financières et la subvention hors-formule du collège Algoma.

En 1989-1990, le gouvernement a affecté 4 millions de dollars à l'amélioration de l'intégration des groupes sous-représentés aux universités financées par la province. Le Conseil a soigneusement examiné la répartition de cette enveloppe et a conseillé à la ministre d'allouer des subventions aux universités pour qu'elles dispensent des services spéciaux facilitant l'accès des étudiants handicapés.

Je me permets de déclarer que les membres du Conseil sont très satisfaits des réponses positives que vous avez données aux recommandations du Conseil. Comme d'habitude, je joins au rapport une feuille de marque indiquant dans quelle mesure le ministère a tenu compte de nos conseils, ainsi que plusieurs des lettres que vous nous avez adressées après avoir reçu nos notes consultatives. Au nom de mes collègues, je puis dire qu'il a été très agréable de travailler ensemble à améliorer la qualité et l'accessibilité de l'enseignement postsecondaire en Ontario.

Je vous prie d'agréer, Madame la ministre, l'assurance de ma très haute considération.

Le président,



H. V. Nelles

# Members and Officers of the Ontario Council on University Affairs 1988-89

Suzanne Aziz (1990) London	Harriet Lyons (1990) Waterloo
Liliane Beauchamp (1992) Oshawa	*Gordon MacNabb (1990) Kingston
Sean-Michel Beillard (1990) Ottawa	Susan McCartney (1992) Thunder Bay
William Broadhurst (1990) Toronto	Henry (Viv) Nelles (1990) Interim Chairman (from December 1988)
Frank DeMarco (1990) Windsor	*Carol Phillips (1990) Toronto
Al Karim Dharamsi (1989) Toronto	Norman Sheffe (1992) St. Catharines
Harry Eastman (1990) Toronto	Diane Daymond Administrative Assistant (to April 1988)
Suzanne Fortier Kingston (1990)	Lilly Blezensky Administrative Assistant (from April 1988)
Paul Fox Chairman, Toronto (to November 1988)	Diana Royce Research Officer
Peter George (1990) Hamilton	Paul Stenton Manager, Research and Policy Analysis
Colin Graham (1990) Toronto	
Terrijoy Kelner (1992) Toronto	

*Members' terms expire on last day of February  
of the year indicated in parentheses)*

*(Resigned before term completed)*





## Introduction

The Fifteenth Annual Report of the Ontario Council on University Affairs covers the period March 1, 1988 to February 28, 1989 and contains the full text of all Advisory Memoranda issued during the year. The report also contains a list of Council's public meetings for the year and the response of the Government to the recommendations made by Council.



## **Council's Advisory Memoranda**





## **88-I Provision for General Accessibility for 1988-89 and Beyond**

In Advisory Memorandum 87-III, Council provided advice with respect to the ongoing operation of the Accessibility envelope for 1987-88. Council concluded its advice for 1987-88 by stating:

Council has not provided specific advice on funding for OS:IS in 1988-89 and beyond, on the long-term aspects of the accessibility envelope... More information and thought is needed before these issues can be addressed adequately. Council is convinced that precipitous action on these issues at this time would be unwise and might create more long-term problems than solutions. Council will devote considerable attention to these issues in the next few months and plans to provide the Minister with further advice on the management of the accessibility envelope in the near future.<sup>1</sup>

In this memorandum, Council offers advice on the framework for increasing general accessibility to Ontario universities in 1988-89 and beyond. Within this framework, it provides specific advice for 1988-89 enrolment and a proposal for discussion for the years beyond that. Council strongly believes that the framework outlined is essential to adequately meet the projected increase in demand for university education.

### **1.0 Background**

In Advisory Memorandum 86-VII, Council indicated:

Council believes there is merit in having in place an ongoing mechanism to respond to accessibility problems in the future.... If the upcoming OS:IS bulge is significant, it will be important to have such a mechanism in place. Council envisions the enrolment/accessibility adjustments envelope remaining in place for 1988-89 and beyond. However, this envelope will only allocate funds when the need arises as in the case of an OS:IS bulge. In other years this envelope will remain inactive.<sup>2</sup>

Council's primary objective in setting up this envelope was to have a mechanism in place for Government to respond effectively to temporary or short-

- 
1. Ontario Council on University Affairs, Advisory Memorandum 87-III, 1987, p. 24.
  2. Ontario Council on University Affairs, Advisory Memorandum 86-VII, pp. 36 and 37.

term accessibility problems so that if they occurred in future, qualified students would be assured of access to university.

At the time Council devised this envelope, it was widely believed that, excluding a short-term temporary OS:IS bulge, enrolments would at best hold steady and most likely decline in the 1990's. Indeed, several institutions projected that, as a result of changing demographic patterns, enrolments would decline significantly during the early 1990's. These institutions expressed concern that a significant decline in enrolment could have a destabilizing impact on institutional funding.

While accepting Council's advice on the new funding mechanism, the Minister indicated that Government wished to have a more proactive policy of accessibility than anticipated by Council. The Minister identified objectives for the Accessibility envelope as follows:

...the government will establish an ongoing accessibility envelope which will be operational in 1988-89 and will recognize enrolment growth beyond current (1986-87) levels. This envelope will be used to respond positively to increases in enrolment demand. Such an increase may arise from the implementation of the OS:IS (Ontario Schools: Intermediate and Senior) reform of secondary school curriculum. Equally important, however, will be the use of this envelope to enhance accessibility for all qualified students, and to increase participation, in spite of the projected decline in the 18-24 year age group in our population.<sup>3</sup>

### **1.1 Council's Interim 1987-88 Advice**

As noted above, Council's Advisory Memorandum 87-III provided preliminary advice to the Minister on the matters raised in the Minister's letter of March 10, 1987. In that memorandum, Council discussed, in a general manner, a broad framework for approaching the funding issues raised by the Accessibility envelope and offered specific advice for funding an anticipated 7% increase in enrolment demand for 1987-88.

In the same memorandum, Council outlined its basic philosophy in dealing with the Accessibility envelope. Consistent with the primary thrust of the new formula grants mechanism, Council believed that the first priority in Government funding must be stable core funding. The Accessibility envelope must support and work in conjunction with other funding mechanisms. It must not be dealt with in isolation. Unless appropriately conceived, the Accessibility envelope could compel institutions, once again, to enter into the competition for students experienced in the past in order to maintain their share of an inadequate funding

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3. Letter from the Honourable G. Sorbara, Minister of Colleges and Universities, to Mrs. Marnie Paikin, March 10, 1987, pp. 2 and 3.

pot. Council reiterated that it was equally important to have adequate core funding through formula grants and other ongoing base grants such as bilingualism, Northern grants, differentiation grants, and research overheads/infrastructure grants. If funding increments for these grants were inadequate and proportionately less than the increase in funding for the Accessibility envelope, the latter could become the vehicle for institutions to subsidize their underfunded existing services. It would be folly to pursue a policy of increased Accessibility to Ontario universities if that policy brought about a deterioration in the quality of education provided.

Council expressed the belief in Advisory Memorandum 87-III that the Accessibility envelope could effectively enhance university accessibility, as well as support and maintain the objectives and integrity of the new operating grants system, if the following approach were followed:

- (i) provide adequate financial support for stable core funding;
- (ii) provide accessibility funding, through the accessibility envelope, on a short-term, current need basis in sufficient amounts; and
- (iii) when it becomes clear that the enhanced accessibility funded through the accessibility envelope is not a temporary or short-term phenomenon, incorporate the funding for this long-term increase in demand in base funding through the formula grants envelope or through appropriate extra-formula grants.<sup>4</sup>

This approach was based on the following considerations. The Accessibility envelope should be used to improve access "on the margin". Measures financed by it should not be considered to be "base" or "core" funding initiatives. Incremental, non-base funding should be used to support such activities until they become established and continuing. A short-term funding mechanism should be designed to provide the flexibility required to respond to rapidly changing needs which can be both significant in magnitude and unpredictable. Finally, given the past unpredictability of enrolment changes, it is important to evaluate the longevity or permanence of any increase in demand before expanding overall system capacity in a permanent manner. If such an assessment shows that demand will be sustained over a long period of time, the institution can submit a plan and apply to have its formula grants envelope corridor shifted upwards, formula support increased, and its accessibility enrolments included in its Moving-average.

After reviewing several options, Council recommended as an interim device that the Government should fund in 1988-89 on a slip-year basis the positive difference between each institution's 1987-88 undergraduate Basic Income Units (BIUs) and its 1986-87 undergraduate BIUs at a rate equal to the 1988-89 Base

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4. Ontario Council on University Affairs, Advisory Memorandum 87-III, p. 5.

Basic Operating Income (Base BOI) per Base BIU, less the formula fees associated with these incremental enrolments. This was not Council's preferred mechanism. It would have preferred to fund on a slip-year basis each institution's incremental undergraduate BIU intake, thereby underwriting only the increased new demand. The Ministry believed that this procedure was impossible because it was not able, unfortunately, to identify and track these new enrolments accurately.

Rejecting Council's advice to fund only undergraduate enrolment growth, the Minister decided to fund total graduate and undergraduate enrolment in the manner indicated above. The Minister's rationale was as follows:

I believe this approach to be an appropriate response to the existing situation. The funding of the flow-through of students which has resulted from increased intake and retention from previous years effectively deals with a number of transitional issues associated with the basic grants envelope component of the new formula and should, therefore, ensure that institutions are in a position to respond positively to the increase in applications for September, 1987. As these transitional issues apply equally to graduate and undergraduate programs, I believe it would not be appropriate to treat them differently under the accessibility envelope.<sup>5</sup>

In addition, the Minister committed the Government to the funding of the flow-through of this enrolment growth, stating:

I would like to make it clear that the flow through of the incremental enrolment growth identified in 1987-88 will be funded in future years, at a rate which would result from this method applied in future years (current Base BOI per base BIU, less formula fees). This commitment will be honoured, whatever further decisions are made with respect to the longer term operation of this envelope. Incremental BIUs funded through the accessibility envelope will not be counted in an institution's moving average count in the base grants envelope during the period that the accessibility envelope is operative.<sup>6</sup>

Council believes that the framework described in Advisory Memorandum 87-III, which outlined the issues involved in increasing general accessibility, is a sound basis for developing a strategy for enhancing accessibility. While the approach used for 1987-88 successfully "cleared the market", Council notes that

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5. Letter from the Honourable G. Sorbara, Minister of Colleges and Universities, to Mrs. Marnie Paikin, June 10, 1987, pp. 1 and 2.

6. Ibid., p. 2



there will be some draw-backs to the approach if it is used as an ongoing policy mechanism.

One important disadvantage is the instability it engenders in university budgeting by increasing the institutions' dependence on short-term "soft" money. As this type of funding grows, the danger of instability becomes greater. Many of the incremental costs incurred to accommodate increased enrolment are of a long-term nature and cannot be reduced readily when the enrolments and funding decline. This eventuality conflicts with the primary objective of enhancing funding stability which Council had in mind when devising the new operating grants formula. In future, at least a portion of the funding of enhanced accessibility must be provided in a more stable manner to mitigate the problems created by "soft" funding.

Another problem arising from using the current Accessibility envelope is the lack of capital funding associated with this year's approach. In future years additional space, both temporary and permanent, will be required to accommodate increased enrolment. The need is critical. Physical space in many universities is hard pressed now and unless capital is provided for long-term needs, there will be acute shortages in the space required for the additional faculty, laboratories, classes, library and study facilities, as well as for the various overhead and service personnel and enterprises needed to accommodate increased numbers of students.

Finally, the present Accessibility envelope does not encourage rational planning for enrolment growth at the institutional or system level. It creates a high degree of competitiveness for students in areas where capacity exists and students are scarce. This is of particular concern in the graduate area where excess capacity exists in many fields and the income received per student is substantial. With a relatively static state of demand for graduate education, the result of such competition is a bidding war in terms of scholarship funding among institutions to attract more graduate students or merely to maintain current enrolment levels. Enrolment growth, particularly in the area of graduate studies, should be dealt with in a planned manner.

## **2.0 The Demand for University Education**

In Advisory Memorandum 87-III Council assessed future enrolment demands as follows:

The 18-24 year age cohort, which comprises the majority of university students, is currently projected to decline by about 19% by 1995 from its peak in 1983. In recent years participation rates have been increasing annually. However, it is extremely uncertain that long-term efforts to increase participation and attract new learner groups (adults and underrepresented groups) will be able to overcome the impact of these demographics. Therefore, caution must be exercised before expanding system capacity in a permanent manner by expanding

physical plant or other fixed-cost expenditures.<sup>7</sup>

New evidence suggests to Council that circumstances have changed and that while caution should continue to be exercised, there is good reason to expand base funding to recognize enrolment growth.

The Council of Ontario Universities (COU) recently released a valuable and insightful technical background study on the demand for university education which brings into question previous conclusions about a decline in future enrolment. In this study COU notes:

Just a few years ago conventional wisdom held that university enrolment trends would parallel the decline in elementary and secondary enrolment as a smaller age cohort passed through the educational system. Instead, the opposite situation has been experienced by Ontario universities as demand for admission has in fact increased in recent years. In view of this increase, and the unexpected large increase in first-year enrolment in September 1987 to a record level, the Council of Ontario Universities has re-examined recent enrolment data.<sup>8</sup>

COU identified several factors contributing to the increased applications which have occurred throughout the 1980's:

- there has been an apparent increase, particularly among women, in the proportion of secondary school students remaining to Grade 13;
- some of this apparent increase is attributed to a significant growth in the net migration into Ontario of persons of school age;
- within the secondary school system, the trend to semestering continues;
- rural counties are moving towards the high university participation rate of urban counties;
- applications for admission to community colleges peaked in 1983;...<sup>9</sup>

The trends identified by COU appear to be continuing for 1988-89. Current application data indicate that the number of secondary school applicants for admission to Ontario universities for 1988-89 has increased by about 10.5% over last year's level. A portion of this increase (possibly up to one-third) may be due to "fast-tracking" by the first OS:IS cohort. It appears, however, that the majority

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7. Ontario Council on University Affairs, Advisory Memorandum 87-III, p. 21.

8. Council of Ontario Universities, New Enrolment Trends for Ontario Universities, 1988, p. 1.

9. Ibid., p. 1.

of the increase is due to a continued increase in participation.

COU has undertaken some short-term projections based on the trends identified in the 1980's and has stated:

...universities can expect increased pressure from applicants over the next three years, even if the ratios of applicants to Grade 13 enrolment and registered students to applicants remain at their 1987 values. If this scenario were to hold true, **Year 1 registered students from Grade 13 by 1990 would be 21% above the 1986-87 level.**<sup>10</sup>

COU further projects that the OS:IS bulge will occur gradually and that by 1990 the combined impact of the OS:IS bulge and increased participation will be a 24% increase in first-year registration from secondary schools above the 1986-87 level. Table I outlines the COU projections. Assuming that admission demands from non-secondary school registrants remain at the 1987 level, total first-year registrations are projected to increase 17% if the OS:IS effects are excluded and 19% if OS:IS is included.

Table 1

### Summary of Secondary School Applicant and Registered Student Projections

	Applicants		Registered Students	
	#	% change from 1986-87	#	% change from 1986-87
<u>Excluding OS:IS</u>				
1986-87	47,236		30,895	
1987-88	50,618	7.16	33,027	6.90
1988-89	54,530	15.44	35,553	15.08
1989-90	56,084	18.73	36,567	18.36
1990-91	57,521	21.77	37,504	21.39
<u>Including OS:IS</u>				
1986-87	47,236		30,895	
1987-88	50,618	7.16	33,027	6.90
1988-89	55,932	18.41	36,468	18.04
1989-90	57,558	21.85	37,528	21.47
1990-91	58,974	24.85	38,451	24.46

Source: Council of Ontario Universities.

10. *Ibid.*, pp. 4 and 5.

In addition to COU's analysis, the University of Toronto and York University have provided Council with some long-term projections of secondary school graduates' and applicants' demands for university admission. These projections suggest that there will be little decline in non-OS:IS enrolment during the 1990's and that enrolments will increase significantly in the late 1990's.

Council is struck by the magnitude of the short-term and long-term enrolment increases projected, as well as the lack of any decreasing trend in demand relative to current enrolment levels after the OS:IS bulge has run its course. These projections suggest that Council and Government should seriously reconsider their assumptions about future demand.

### **3.0 The Commitment to Accessibility**

As noted above, Government has indicated that it not only wishes to respond positively to increased demand but also to effectively increase university participation. These are laudable objectives since Ontario and Canada will need a highly educated and skilled populace to compete economically and deal with social issues in the future. The Commission on the Future Development of the Universities of Ontario stated unequivocally the need for strong and healthy universities to meet the needs of Ontario and Canada during the 1980's and 1990's by noting that:

in a society marked by rapid economic, technological, social and cultural change, the dual functions of the universities -- the development of human capital through higher education and the development of knowledge through research and scholarship -- are essential. Moreover, given Ontario's central role within Canada, the contribution of Ontario's universities is vital to the development of Canada as a whole.<sup>11</sup>

Given Ontario's future need for a well-educated and adaptable workforce, the projected short-term and long-term increases in demand for university education should be welcomed as an opportunity to develop the province's future economic competitiveness. Government expenditures related to accommodating and augmenting this demand should be looked upon as a strategically important investment in the development of the province's human capital in an increasingly knowledge-based society. Such expenditures should also significantly enhance Ontario's future economic and social well-being.

If Government wishes to meet enrolment demand and increase university participation, it must decide whether or not it will commit itself to the obvious outcome of these objectives. In response to Advisory Memorandum 87-III, the Minister of Colleges and Universities indicated that Government was prepared to make this commitment:

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11. The Commission on the Future development of the Universities of Ontario, Ontario Universities: Options and Futures, 1984, p. 2.



...the government is committed to enhanced accessibility to university education and is willing to provide the necessary funding to ensure that this commitment will not impact negatively on its intention to provide adequate base funding through the basic operating grants envelope.<sup>12</sup>

Meeting these demand projections will be costly. The size of the short-term and long-term enrolment projections outlined above would suggest that a significant structural change in the university system must be implemented to meet the Government's accessibility objectives which have been identified above. The projected demand cannot be handled "on the margin" by a university system at or very near capacity.<sup>13</sup>

If Government wishes to respond positively to the demand for university enrolment and increase participation, it must provide the universities with the resources to achieve these objectives. Half-measures will not bring desirable results. If Government is unwilling or unable to provide adequate resources to achieve its accessibility objectives, these objectives should be scaled down. In the following sections of this memorandum, Council outlines its advice on achieving the general accessibility objectives identified by Government. This advice is predicated upon Government providing adequate resources. If these resources are not forthcoming, the advice contained in this memorandum will be ineffectual and either further enrolment demand will not be accommodated or if it is, the quality of education will decline. There are no easy solutions. Institutions have indicated to Council that Government is faced with a clear choice: adequate funding to meet enrolment demand and increased accessibility; or inadequate funding and either limited accessibility or a decline in quality. Universities should not be expected to sacrifice quality for accessibility.

## **1.0 Accommodating and Promoting Increased General Accessibility**

Council is not prepared at this time to recommend a specific, detailed, long-term mechanism for dealing with the accommodation of increased accessibility because it believes that it is important to have further input from and discussions with the university sector before recommending such a mechanism. Nevertheless, Council does recommend the framework within which the final mechanism must operate, a specific mechanism for funding enrolment growth in 1988-89 and provision for short-term space rentals to accommodate the enrolment growth. Finally, Council provides for discussion purposes, but not for adoption by the

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2. Letter from the Honourable Gregory Sorbara, Minister of Colleges and Universities to Mrs. Marnie Paikin, June 10, 1987.

3. On behalf of Council and the Tripartite Committee on OS:IS, COU undertook a survey of institutional ability to increase first-year intake in 1988-89. The survey indicated that institutions were projecting a 0.04% decline in spaces available for new first-year students.

Minister at this time, a detailed mechanism for dealing with future access which identifies the direction of Council's thinking.

#### **4.1 A Framework for Accommodating and Promoting Future Accessibility**

Government must provide at this time a strong and unequivocal signal to the university system that the Government is willing to deal with the issue of providing increased access under the framework identified below. It must be willing to indicate that it will provide adequate core funding to accommodate long-term enrolment growth and that it will support increased access to Ontario universities in a planned manner. It is critical that Government not deal with future enrolment growth on an ad hoc, year-by-year basis, nor create a situation in which there will be extreme enrolment competition.

Building upon the broad approach identified in Advisory Memorandum 87-III and modifying it somewhat, Council has developed an integrated long-term and short-term strategy for accommodating and promoting increased general accessibility to university education. This strategy emphasizes the interrelationships and integration of accessibility funding and the Formula Grants envelope. In particular, it reinforces the primary objective of the new Formula Grants envelope by providing stable core funding and reducing funding instability and uncertainty.

As noted above, Council concluded in Advisory Memorandum 87-III that funding for accessibility should be provided through the Accessibility envelope on a short-term, current needs basis until it becomes clear that the increased enrolments funded through the Accessibility envelope are not a temporary or short-term phenomenon. When it is evident that there is a long-term increase in demand, increased funding should be provided through the Formula Grants envelope by shifting institutional corridors upwards. This approach to funding increased access places a great deal of emphasis on the duration of any enrolment increase. Council now believes that given the concerns outlined above about the impact of short-term or "soft" money on university budgeting and operations, as well as the signs that recent increases in university applications are not transitory, the primary focus of providing for future accessibility must be longer-term funding arrangements, in particular, through upwards shifts in institutional corridors in the Formula Grants envelope.

By focusing on corridor shifts as the primary method for accommodating future growth in enrolments, Council is indicating that this growth must be examined in light of the current structure and capacity of the university system and not as a marginal adjustment. Universities, Government and Council must be more proactive in assessing future enrolment demand and accessibility objectives. They must plan for future growth instead of relying on current and past practices which are based on reacting to demand. They must determine what human and physical resources will be necessary to provide future students with a high quality education. The framework which Council recommends to the Minister for accommodating and promoting future access to university education can be

summarized as follows.

First, Council, the universities and Government must assess the prospects for future enrolment growth including the long-term/short-term nature of this growth. This assessment should be based on detailed and sophisticated enrolment forecasts and Government short-term and long-term accessibility objectives.

Second, using the long-term assessment of enrolment growth, Council should negotiate with those institutions which want them appropriate upward shifts in institutional corridors in the Formula Grants envelope. Caution should be exercised in setting higher institutional corridors to ensure that the new corridors are achievable and sustainable. Corridor shifts must be accompanied by additional core funding and capital funds to provide the physical facilities which will be necessary to accommodate the increased enrolment and university activity.

Third, short-term Accessibility envelope funding must be available to accommodate short-term demand increases such as the anticipated OS:IS bulge which cannot or should not be accommodated by corridor shifts through Formula Grants envelope funding. This funding should be available for those institutions which do not want a permanent expansion in capacity or for accommodating short-term demand beyond new corridor levels.

Finally, not only must the additional funding related to enrolment growth provided through the Accessibility envelope or the Formula Grants envelope be adequate, its provision must not erode base funding for existing university activities. Council believes that it is extremely important for Government to signal to Ontario universities at the earliest possible date that additional core funding will be available through corridor shifts to fund appropriate planned increases in enrolment growth.

Accordingly, Council *recommends to the Minister:*

**OCUA 88-1**

**FUNDING FRAMEWORK FOR THE PROVISION OF GENERAL  
ACCESSIBILITY FOR 1988-89 AND BEYOND**

**THAT**, the framework for dealing with the provision of general accessibility be as outlined above. In particular, that long-term enrolment growth be accommodated through shifts in institutional corridors in the Formula Grants envelope by institutions which wish to undergo a change in the level of their corridor, that short-term enrolment growth be accommodated through short-term temporary funding through the Accessibility envelope, and that new additional base and short-term funding be provided to support this growth.



## **4.2 Accessibility Envelope Funding for 1988-89 Enrolment Growth**

Unfortunately, it is not feasible to implement corridor changes for 1988-89. However, Council is concerned that a funding mechanism be in place to accommodate the anticipated increase in enrolment demand for the Fall of 1988. Consequently, Council recommends that short-term Accessibility envelope funding be provided in 1989-90 to recognize enrolment growth in 1988-89.

It would be desirable for this short-term funding mechanism to be better related to the Formula Grants envelope funding mechanism than was the case for this year's Accessibility envelope where BIU growth in 1987-88 over 1986-87 levels was funded. The mechanism to deal with enrolment growth in the Fall of 1988 should also lead conveniently into future corridor changes.

As noted above, for 1987-88, Council recommended that the Accessibility envelope should not apply to graduate students. This reflected Council's conviction that there should be planned enrolment growth in the graduate area, that the Accessibility envelope was created to respond to an urgent need to accommodate increased undergraduate intake and that Council was concerned about generating unproductive competition for a limited pool of potential graduate students.

Under the corridor shift proposal, graduate enrolment growth would be planned and implemented in a similar manner to undergraduate growth. The inclusion of graduate enrolment growth does not reflect an urgent need to provide increased accessibility at the graduate level. There is little evidence that current demand cannot be accommodated. It reflects, instead, the need to increase the supply of future master and doctoral graduates to meet anticipated labour market shortages for university faculty and other highly qualified occupations in the 1990's where current faculty members will begin to retire in large numbers. The faculty renewal program goes part way to bridging these retirements. However, since the phenomenon of an aging faculty is world-wide and is likely to create a significant demand for doctoral graduates in the late 1990's, there is a need to train an increased number of graduate students to replace retiring faculty. A planned corridor shift would reduce concern about generating unproductive competition since growth would be carried out in a planned and co-ordinated manner.

As a first step towards integrating short-term accessibility funding and long-term planned corridor shifts, it would be appropriate for Government to fund, in 1989-90 on a slip-year basis, the positive difference between each institution's 1988-89 total BIUs and its Base BIUs at a rate equal to 1989-90 system Base BOI per Base BIU, less the formula fees associated with these incremental enrolments. Although Council is concerned about unproductive competition at the graduate level in the short-term before institutional graduate enrolment plans have been implemented, the longer-term consideration of improving the integration with the Formula Grants envelope and facilitating an appropriate transition outweighs these concerns.

However, overriding these considerations, the Minister as outlined above, made the commitment "that the flow through of the incremental enrolment growth identified in 1987-88 will be funded in future years, at a rate which would result from this method applied in future years". Since many institutions decided to increase undergraduate intake because of this commitment, this obligation must be honoured. Unfortunately, the approach to funding for 1988-89 outlined above does not fulfil this commitment for several institutions whose 1986-87 BIU levels were below their Base BIU level. Therefore, in order to meet the commitment made by the Minister last year, Government must fund in 1989-90 on a slip-year basis, the positive difference between each institution's 1988-89 total BIUs and its 1986-87 total BIUs at a rate equal to 1989-90 system Base BOI per Base BIU, less the formula fees associated with these incremental enrolments. These BIUs and associated formula fees should not be included in an institution's Moving-average count in the Formula Grants envelope. However, under the mechanism outlined below, if the corridor of an institution is subsequently shifted upwards, the accessibility enrolments above the level of institution's Base BIUs should be included in its Moving-average.

This approach fulfils Government's commitment to fund the "flow-through" of 1987-88 enrolments above 1986-87 levels and provides some incentive to increase institutional intake. Council is concerned that this approach is less than optimal. It has little relationship with the Formula Grants envelope and is in some respects less equitable than the approach outlined above. Council would not wish to see accessibility funding according to this mechanism perpetuated longer than is required. Council is recommending its adoption for 1988-89 enrolment only to recognize the Minister's commitment to fund the "flow-through" of 1987-88 enrolments above 1986-87 levels.

Since the "flow-through" of the total incremental enrolment growth in 1987-88 cannot be identified, the Minister's commitment should pertain to a specific reasonable period of time. A reasonable recognition of this "flow-through" would be for a total of four years from the beginning of the funding commitment, or funding to 1991-92. However, after determining the appropriate corridor shift mechanism, any further "flow-through" commitment for short-term funding in the future should not be tied to 1986-87 BIU levels. Instead, under the corridor approach detailed below, for example, incremental growth should be related to Base BIU levels rather than 1986-87 levels. A new commitment of four years would need to be made. Under this approach, for 1988-89, an Accessibility envelope commitment of one more year (1992-93) would be added to the existing commitment for funding, but under different terms. For those institution's whose 1986-87 BIUs are less than their Base BIUs, the 1992-93 commitment would not



include the difference between its 1991-92 BIUs and its Base BIUs.<sup>14</sup> If an institution accepts a corridor change, the commitment to this short-term funding would no longer hold.

If the funding of these commitments appears to be too costly, Council would recommend that any curtailment be carried out in a deliberate manner at the beginning of a commitment period. For example, Council could conceive of capping graduate BIU commitments at 1987-88 levels and providing funding for graduate enrolment growth in a more planned manner through corridor shifts. Early notification would be required to allow institutions to adjust their enrolment practices.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-2*

***FUNDING MECHANISM FOR ACCESSIBILITY ENVELOPE TO RECOGNIZE INCREASED ACCESSIBILITY IN 1988-89***

*THAT*, the Accessibility envelope recognize incremental enrolment growth for 1988-89 by funding in 1989-90 the positive difference between each institution's 1988-89 BIUs less its 1986-87 BIUs at a rate equal to the 1989-90 system Base BOI per Base BIU, less the formula fees associated with the incremental enrolment, and that these BIUs and associated formula fees not be included in an institution's Moving-average count in the Formula Grants envelope. Further, that the commitment to the flow-through of enrolments be as outlined above.

### **4.3 Temporary or Short-term Expansion of Physical Facilities**

In order to accommodate rapid increases in enrolment, universities will need to expand rapidly or adjust their physical facilities in the near future. For those institutions not planning to change their corridor, this expansion should not be in the form of significant permanent facilities since it is anticipated that enrolments will abate at some time in the future. For those institutions planning to change their corridor, it is unlikely that they will be able to bring approved capital expansion or rehabilitation projects on stream quickly enough to meet the early part of the anticipated enrolment growth. Consequently, some provision must be made to provide additional short-term physical facilities through short-term building leases and rentals and other temporary arrangements. Such a provision should be made on a current-year basis to ensure adequate facilities are available in the

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14. Consequently, the "flow-through" commitment for 1988-89 enrolment growth for all institutions should reflect the positive difference between the institution's 1991-92 BIUs and the greater of either its 1986-87 BIUs or its Base BIUs. Council is not prepared to recommend the base point for comparison to be changed to Base BIUs for institutions where their 1986-87 BIUs are greater than their Base BIUs until the corridor change mechanism is finalized.

year in which increased enrolments occur.

In Advisory Memorandum 77-IV Council outlined a set of definitions and funding eligibility criteria for short-term space rental grants. The considerations found in that advice guide Council's current recommendations.

The cost of space rental will vary depending on the type of space being rented, the quality of space available, and its geographic location. It is, therefore, not reasonable to specify a particular dollar level per square foot that should be allowed for a rental grant. Each request will have to be assessed individually.

Only the capital cost of a rental, i.e. the cost of the space itself exclusive of operating costs, should be eligible for assistance. Therefore, maintenance costs such as heating, lighting, cleaning, and minor repairs should be excluded from any grants to support rentals. Universities are, of course, well aware that the addition of rental space, as with new construction space, places a burden on the operating funds of the institution for the operation and maintenance of the rented facilities. These should be covered by Accessibility envelope funding.

Council expects that most of the rental agreements into which universities will enter will be short-run contracts (for at most three to five years) designed to meet specific immediate space needs. Because the concern is for severe space shortages, the purpose of the policy on short-term rental grants should not be to offset completely any space deficiencies. It is intended as a means of alleviating an immediate problem.

The criteria for short-term space rental grants were outlined in Advisory Memorandum 77-IV in the following manner:

For institutions to be eligible for consideration for rental grants, all of the following criteria should be satisfied:

- (1) The space inventory of the institution, including all space to which the university has access, exclusive of short-term rentals, must be more than 10% under the space generated for that institution by the COU Space Standards.
- (2) Institutions must have a shortage of space of the particular type for which they are seeking rental grants e.g. classroom.
- (3) Institutions must be able to demonstrate that any existing excess space of another type cannot or should not be altered to satisfy the need.

The first criterion supports Council's belief that consideration for rental grants should only be given to those institutions where there is a serious space need. Whether or not the standards provide an accurate measure of need, an institution might be deemed to have a significant space shortage if it is well below standard in percentage terms, say 10, when all space to which it has access exclusive of short-term rentals is included. Universities would have to provide indication that the space shortage would be likely to continue over the length of the proposed rental contract.

However, in Council's opinion an overall space shortage is not by itself a sufficient justification for rental grant eligibility. The proposed rental must be of space primarily of the type where there is a shortage. If a university has an overall space shortage of 15% when compared with the COU Space Standards, but has a 1% surplus in one component of that space, say classroom, the institution should not be eligible for a capital grant to rent classroom space.

Rental of additional space must compete with alterations of existing space as a means of satisfying a university's space needs. Council's third criterion puts the onus on the institution to evaluate rental proposals in this context before requesting grant consideration.<sup>15</sup>

Council recommends that funding be provided for short-term space rentals to provide for additional short-term physical facilities. Institutions should be required to submit a proposed short-term physical facilities plan to the Ministry for approval and determination of funding support needed. For rental contracts to be eligible for Government support, at a minimum the institution must meet Council's 1977 short-term space rental criteria. Council notes that institutions may lack the funds to alter existing space or may not want to have their space permanently altered to meet short-term enrolment demand. These factors should be taken into account when assessing the third criterion.

Another consideration with respect to the duration of Government support is that some of this additional space should be looked upon as bridging to new permanent capital facilities under construction. Rental support should be provided only until such time as the new physical facilities are available.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-3*

*GOVERNMENT SUPPORT FOR SHORT-TERM SPACE RENTAL FOR 1988-89 AND BEYOND*

*THAT*, short-term space rental be considered eligible for the exercise of Ministerial discretion for financial assistance according to the considerations and criteria outlined in this Memorandum.

## **5.0 A Proposed Mechanism for Funding Increased Accessibility Beyond 1988-89**

Council outlines below a particular mechanism to fit within the framework identified in Section 4.1. Council has not been able to consult as widely as it wishes on this mechanism with COU, the universities, and Government. It is, therefore, not recommending immediate adoption of the mechanism at this time.

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15. Ontario Council on University Affairs, Fourth Annual Report: 1977-78, p. 41.

Nevertheless, Council is convinced it provides a sound mechanism for dealing with future accessibility in a planned manner and has many positive attributes. Council is recommending that the Minister accept the broad framework recommended above and treat what follows as a discussion paper outlining a possible long-term mechanism and leading to specific recommendations later this year.

### **5.1 Long-term Accessibility**

Universities are currently funded through the Formula Grants envelope according to the relative level of their Moving-average BIUs to the  $\pm 3\%$  corridor around their Base BIUs. If an institution's Moving-average BIUs are above the floor of its corridor, the institution is funded at its Base BOI. If an institution's Moving-average BIUs are below its corridor floor, its funding is reduced proportionately to the amount that its Moving-average BIUs are below its corridor floor.<sup>16</sup> An institution's Base BOI and its derivative, Base Grants, set the maximum amount of funding available to an institution through the formula grants envelope.

An upward shift in an institution's corridor would result in an increase in Base BIUs, Base BOI and Base Grants, as well as providing funding stability at a higher level of enrolment by setting a corridor around the new Base BIUs.

Council identifies two basic steps in the process of determining a new corridor level and new levels of Base BIUs, Base Grants, Base BOI and Base Formula Fees for funding increased accessibility: i) identification of system-level accessibility targets; and ii) identification of and negotiation of appropriate institutional corridor shifts. Finally, it identifies an alternate provision for upwards corridor changes not related to general accessibility but to program access (program corridor changes).

#### **5.1.1 Identification of System Accessibility Targets**

Council finds the demand projections of COU and those of the University of Toronto and York University extremely important in defining the scope of the accessibility issues which must be addressed. While the short-term rates of growth identified by these studies differ somewhat, these projections bring into question critical assumptions about the short-term or long-term nature of current and future increases in enrolment demand.

The University of Toronto's and York University's projections of secondary school enrolments indicate that much of the increase in enrolment in forthcoming years will be sustained in the future. Indeed, it now appears that the OS:IS bulge will be extended over a much longer period of time than first anticipated. More importantly, however, these long-term projections suggest that non-OS:IS related enrolment will continue to increase before dipping slightly in mid-1990's and then

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16. See Ontario Council on University Affairs, Advisory Memorandum 86-VII for a detailed description of the Formula Grants envelope.



increasing steeply for the remainder of the decade. These data contradict the prediction that there would be a sharp and sustained decline in enrolments in the early to mid-1990's resulting from declining demographics. Such a reduction may not materialize or it may be far less pronounced than anticipated and short-term in duration. Indeed, if there is a gradual transition to "fast-tracking" by OS:IS secondary school students, any downturn could be overcome by the OS:IS bulge.

The new levels of demand suggested by these projections would put such a great strain on the capacity of the university system to accommodate them that Council believes that it is vital for Government, Council and the universities to build upon the work carried out to date and undertake a significant study of long-term enrolment demand.

Council recommends that a study of enrolment demand to the year 2000 be undertaken immediately. This study should assess various types of future enrolment demand, including that from secondary school graduates, mature students, part-time students, and graduate students, as well as regional demand and the need for professional training. The study should be undertaken collectively by Council, Government, COU and the universities.

One of the most beneficial results of such a study would be the identification of long-term enrolment targets for the university system. Realistic targets would provide an essential framework for system planning in order to meet enrolment growth. They also should become the reference point for institutional corridor shifts to accommodate the projected enrolments.

### **5.1.2 Identification and Negotiation of Institutional Corridor Shifts**

Using the system-level accessibility targets, projected regional and institutional enrolment demand, program mix, and institutional capacity, Council would need to identify and negotiate an appropriate upward change in the Base BIUs and corridor with each institution that wished to do so. Consistent with the principles outlined in Advisory Memorandum 86-VII, these corridor shifts should be to a level outside the current corridor, or, in other words, more than 3% above the current Base BIUs. The sum of the new Base BIU levels should not exceed the accessibility targets of the system.

Negotiations between Council and the universities would be conducted within defined parameters, taking into account the needs and responses of each institution within the Ontario university system. Co-ordination of corridor changes among institutions would be extremely important since a system-wide perspective must be pursued. It would be inappropriate to negotiate a corridor change with an institution in isolation from other institutions' changes. For each institution, consideration would be given to relevant factors such as the following:

- a) the level of the new corridor target;
- b) planned enrolment growth by program sector;
- c) the planned time-frame of the enrolment target to be reached;



- d) capital funding needs, including permanent new capital, renovations, alteration and replacement of existing space, and "short-term" capital leases and rentals;
- e) a commitment by the institution to accommodate further short-term enrolment demand beyond the new corridor through Accessibility envelope funding if the need should arise; and
- f) a commitment by the institution to fully cover the on-going operating costs of any new capital space once it is in place.

After a plan for a corridor shift had been negotiated, Council would recommend to the Minister the level of the new corridor, the conditions to be met by the institution, and the capital funding needed to facilitate the corridor shift.

An important consideration in identifying the impact of a corridor change would be the level of incremental funding associated with the change in corridors. Under the present Formula Grants envelope the funding loss related to enrolment decline is dampened by the impact of the Moving-average but it is only discounted by the 3% corridor. This means that there is no longer a significant level of discounting on enrolment declines.

Council explored the possibility of discounting the increased funding arising from the growth in institutional BIUs associated with a corridor change. In examining this issue, Council recognized that there might be situations where the marginal costs would be less than those met by average revenue funding. However, in the instance of institutions which are at capacity, it is also highly likely that marginal costs might be greater than the amounts provided by average revenue funding.

Council believes it would not be sensible to recommend discounted funding for the enrolment growth associated with the new corridor level in a situation where institutions' core funding is severely underfunded. As Council has noted on many occasions, core funding has consistently fallen significantly short of university needs for many years. If the incremental funding for growth to the new corridor is less than average revenue funding, the level of underfunding will be exacerbated as average revenue declines. Moreover, much of the growth in enrolment in recent years has been accommodated by significant gains in productivity, some of which have been reflected in the growth of student/faculty ratios. These gains have allowed for the past discounting of enrolment growth. However, this practice cannot continue without seriously damaging the quality of teaching and research carried out by universities.

Another consideration in deciding whether it is appropriate to discount corridor-change enrolment growth is the relative gap for some institutions between their Base BOI/Base BIU funding and the system average. If institutions which grew significantly in the 1980's continue to grow, discounting growth could further broaden this gap for these institutions. Undiscounted growth, on the other hand, would have the beneficial effect of narrowing this gap.

Given these considerations, Council suggests that when an institution's

corridor shift is fully implemented (i.e. when its Moving-average BIUs equal its new Base BIUs), the incremental BIU growth be funded at a rate of system-level Base BOI per Base BIU. Universities cannot afford a further erosion in their core funding. In order to protect the core funding of all institutions, total Formula Grants will need to be increased by the sum of these corridor changes.

Shifting an institution's corridor will create a critical need to expand physical plant to accommodate the new levels of enrolment and university activity. If the corridor shifts are as large as the current COU and Toronto/York projections suggest (that is, in the order of 10% to 20%), a significant expansion in physical plant will be required. There must be a close relationship between the operating funding provided through the corridor shift and the capital funding needed to provide adequate space for classrooms, faculty offices, laboratories, and study and library facilities.

## **5.2 Transition to a New Corridor**

An important consideration in changing an institution's corridor is the transitional funding which will be required while the institution progresses toward the new level of Base BIUs associated with the corridor change. Institutions will not be able to move immediately into their new corridors since it will take time for demand to grow and for institutions to absorb increased enrolment.

In assessing the appropriate mechanism to provide transitional funding, Council took into account a number of factors. First, it would not be appropriate to provide the full "new corridor" funding before institutional enrolment has reached the new Base BIU levels. Second, there must be adequate funds to accommodate additional costs incurred by the enrolment growth. Third, adequate capital funding must be available to accommodate the long-term enrolment growth. Finally, the transitional funding mechanism must fit within the framework of the formula grants envelope.

Council believes that the following process should be adopted for transitional funding of a corridor change. In the transition period, an institution's incremental funding reflecting movement towards the new corridor should be composed of two parts: Accessibility envelope funding and Formula Grants envelope funding.

### **5.2.1 Accessibility Envelope Funding for a Corridor Change**

In the transition to a new corridor, institutions will require sufficient funding to meet the marginal operating costs of the incremental enrolment as well as funds to begin to expand permanent capacity to the new corridor level. Institutions will need the flexibility to make adjustments in their activity and resources to meet their particular circumstances. In some instances this will require funding for hiring significant numbers of faculty and staff to teach the increased number of students or for non-salary operating expenditures on equipment, furniture and library resources. In other cases it will require funding for additional capital space or renovations, alterations and replacement of existing space to accommodate

increased numbers of students, faculty and staff. Circumstances will differ from institution to institution.

Council recommends that in the transition period to a new corridor the positive difference between an institution's slip-year BIUs and its Moving-Average BIUs be funded at a rate of system Base BOI per Base BIU less the incremental formula fees associated with these incremental enrolments. If an institution's Moving Average BIUs are less than its Base BIUs, the positive difference between its slip-year BIUs and Base BIUs should be funded at the rate identified.<sup>17</sup> Funding of this nature should be provided only for those slip-year BIUs which are equal to or less than the new Base BIU level.

The choice of factors found in this calculation are deliberate. The difference between an institution's slip-year enrolment and its Moving-average enrolment will increase in the early years of enrolment growth into the new corridor generating increased Accessibility envelope grants. The difference between slip-year BIUs and Moving-average BIUs will peak and then diminish as the Moving-average progresses over time, reducing the Accessibility envelope funding generated.

The rapid escalation and gradual decline in Accessibility envelope funding can be used creatively to great advantage if institutions are allowed to employ these funds flexibly and not restricted to normal operating expenditures. For example, if an institution finds that it requires additional space or alterations in existing space to accommodate a long-run increase in enrolment, it would be appropriate for that institution to use part of its accessibility funding to help cover the capital cost of the projects identified. In such a circumstance, the institution would be required to submit a plan to Council for approval and to secure Ministerial consent before the Accessibility envelope funds could be used for this purpose.

While providing institutions with the flexibility to plan capital adjustments to meet enrolment growth, Council is concerned that such an opportunity may not offer sufficient capital funding to cover costs, including incremental operating costs, during the transition to the new corridor. Additional Government capital funding may be required as part of an institution's plan for a corridor change. The institution would have to indicate what portion of its proposed capital projects would require further Government funding. As in the case of Accessibility envelope capital funding, Government would make the decision to provide further

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17. More specifically, when:

Slip-year BIUs > Moving-average BIUs  $\geq$  Old Base BIUs,

then:

Accessibility Envelope Grants = (Slip-year BIUs - Moving-average BIUs) x System Base BOI/System BIUs) - (Slip-year Formula Fees - Moving-Average Formula Fees)

when:

Slip-year BIUs > Old Base BIUs > Moving-average BIUs

then:

Accessibility Envelope Grants = (Slip-year BIUs - Base BIUs) x (System Base BOI/System BIUs) - (Slip-year Formula Fees - Base Formula Fees)



funding and the amount at the negotiation stage of a proposed corridor change. This would allow for planned enrolment growth and the capital required to accommodate it.

An option explored by Council to simplify the process of determining additional capital funding entitlements would be to match the portion of the Accessibility envelope grants identified by the institution and approved by Government for capital purposes either dollar for dollar or, following current convention, two-thirds from Government for one-third from the Accessibility envelope. This approach has the advantage of setting a maximum Government contribution and providing some predictability. However, given the different circumstances faced by each institution, this approach may be too structured and inflexible for general use.

An important restriction should be placed on the use of Accessibility envelope funding for capital purposes. These funds should be used for only "permanent" capital projects which add, upgrade, or alter "permanent" physical facilities. The funding flow generated by the differential between slip-year BIUs and Moving-average BIUs would provide funds prior to the Moving-average reaching the new enrolment plateau, allowing for the construction of new facilities or alteration of existing space as the facilities are needed to accommodate the new level of enrolment.

These funds should not be used for "temporary" capital facilities such as capital leases or portables. As recommended above, additional funding will be needed for bridging the space requirements in the short-term before the new or renovated facilities are available. Such funds should be provided separately on a current year basis and their need assessed annually.

### **5.2.2 Formula Grants Envelope Funding for a Corridor Change**

Council believes that the transition to higher levels of base funding through the Formula Grants envelope to reflect movement to a new corridor should be gradual and predictable. This approach supports the primary objective of this envelope which is the enhancement of funding stability. This is best achieved by funding the incremental growth in Moving-average BIUs, thereby gradually increasing total ongoing base funding through the Formula Grants envelope.

Council recommends that when institutions are moving to a new higher level corridor, the positive difference between an institution's Moving-Average BIUs and its old Base BIUs should be funded through the Formula Grants envelope at a rate of system Base BOI per Base BIU less the incremental formula fees associated with these incremental enrolments.<sup>18</sup>

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18. More specifically, when:

Moving Average BIUs > Old Base BIUs, then:

Incremented Formula Grants Envelope Grants = (Moving-average BIUs) x (System Base BOI/System BIUs) - (Moving-average formula fees - Base Formula Fees)

Under the principles adopted for the new Formula Grants envelope, the additional costs arising from growth must be covered by new additional funding. The growth cannot be supported by a redistribution of existing funding from other institutions. Consequently, Council proposes that, in addition to the normal incremental growth in base funding to reflect inflationary costs, service level costs and other base operating income needs, Formula Grants envelope funding be increased in the transition to new corridor levels by the sum of the individual institutions' incremental Moving-average funding outlined above.

The combination of Accessibility envelope funding and Formula Grants envelope funding during the transition period to a new corridor provides institutions with a combined level of funding related to their slip-year enrolment growth up to the mid-point of their new corridor. This funding mechanism provides for a gradual shifting of funding from the more flexible Accessibility envelope to base funding through the Formula Grants envelope. With this gradual transfer of funds it will become clear whether or not the enrolment growth is sustained prior to putting the funding into core or base funding. In the unlikely circumstance that it is not sustained, Government will not have added unnecessarily to base funding. However, an additional and more important precaution would be to set new corridor levels at attainable levels to ensure that the additional capacity put in place is fully utilized.

When an institution's Moving-average BIUs reach the new Base BIU level, the corridor system outlined in Advisory Memorandum 86-VII would come into effect. Enrolment change would be dampened by a +3% BIU corridor.

### **5.3 Short-term Accessibility Funding**

Council does not expect that all institutions will wish to undergo a permanent expansion in enrolment through a corridor change. However, those institutions which do not wish to change the corridor may be able to accommodate short-term growth in enrolment demand created by the OS:IS bulge or other factors and should be encouraged to do so. Consequently, it is important to provide short-term funding through the Accessibility envelope for these institutions.

The flexibility in the use of Accessibility envelope funds and the duration of future funding commitments provided to institutions which choose not to change their corridor should be limited. As suggested above, the Accessibility envelope funding under the transition to a new corridor should be available for permanent capital projects. This flexibility in Accessibility envelope funding would not be appropriate for short-term accessibility funding where there is little argument for a permanent expansion of institutional capacity. Short-term Accessibility envelope funding should be restricted to operating expenses.

As outlined above, it is important to make clear to institutions what the duration of the funding commitment for short-term funding will be. An undefined commitment to fund the "flow-through" of existing enrolment is too vague. A specific period should be identified. Government should assess annually the need for continued short-term accessibility funding, taking into account the planned



enrolment growth to be absorbed by institutions moving to a new Formula Grants envelope corridor. If it appears that demand can be met by corridor growth, then short-term accessibility funding should be phased-out.

Council anticipates that enrolment demand during the OS:IS bulge will exceed that which can be accommodated by upward corridor changes and the short-term capacity of institutions not wishing to make a corridor change. Short-term accessibility funding should be provided to institutions undergoing a corridor change for slip-year enrolments above the new level of Base BIUs (mid-point of the new corridor) under the same conditions as those which apply to short-term accessibility funding for institutions not undergoing a corridor change. Namely, funding should be restricted to operating expenditures and should be limited to a specified short-term period of time.

In summary, if Government deems it necessary, short-term Accessibility envelope funding should be available for institutions which do not undergo a corridor change or for enrolments above the new level of Base BIUs of an institution which has had its corridor shifted upward for a specified period of time. Funding should be provided for the positive difference between slip-year BIUs and Base BIUs at a rate of system Base BOI per Base BIU less the formula fees associated with the incremental enrolments.<sup>19</sup>

#### **5.4 Program Corridor Changes**

Council is aware that there is some concern that there is no provision for the continuing funding of expanded enrolments in existing programs or new programs of a high priority to Government. The Accessibility envelope or the Program Adjustments envelope could provide funds on a short-term basis but an institution would have to be undertaking a corridor shift and in transition to a new corridor level in order to receive additional core funding for expanded enrolments in a particular program.

Council believes that this is unsatisfactory and that there should be a provision in the corridor mechanism to provide core funding for high-priority growth in specified programs. Council proposes that "program corridor changes" should be allowed while an institution is within its +3% corridor if Government deems it to be a priority and is willing to provide incremental base funding to support it. In such a situation the desired BIU growth would be identified by Government and the institution's Base BIUs and Base Formula Fees increased by the incremental growth BIUs and Formula Fees associated with these students. Government would have to increase Formula Grant envelope grants with new money related to the incremental BIUs associated with the priority program multiplied by system average Base BOI per Base BIU less the incremental formula fees. The institution's Base BOI and Base Grants would have to be correspondingly

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19. For those institutions which have negotiated a corridor change, the Base BIUs referred to here apply to their new Base BIUs associated with the new corridor.

adjusted.

## 6.0 A Final Note

As noted above, because of lack of time Council has been unable to consult with universities and other interested parties to the degree it believes is warranted in regard to the proposed mechanism for providing for future general accessibility. Council strongly believes that institutions should have an opportunity to respond to the proposed mechanism and present any concerns they may have before Council makes a final recommendation to the Minister. For this reason, Council urges that the Minister make this Advisory Memorandum public upon receipt.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-4*

*RELEASE OF ADVISORY MEMORANDUM 88-1*

*THAT*, the Minister release this Advisory Memorandum upon receipt.

Paul Fox  
Chairman

March 4, 1988



## **88-II Co-operative Education Work-term Related or Placement Fees**

On April 23, 1987 the Minister of Colleges and Universities requested that Council provide advice on the placement costs associated with co-operative education programs and appropriate fee levels. The Minister said in part:

While accepting the council's advice concerning placement fees, I am requesting that institutions refrain from implementing any additional Co-op Fees or Placement Fees beyond 1987-88 levels until such time as a study of the additional costs of the job recruitment, student placement and other such activities both on and off-campus, which are particularly associated with offering co-operative educational programs, can be completed. In this regard, I am asking OCUA to conduct the cost study and report the results of the study to me before December 31, 1987.<sup>1</sup>

In this Memorandum, Council provides advice on the costs it believes should be covered through ancillary fees. It does not recommend a specific dollar amount which should be charged but rather the types of costs which should be eligible. Council also recommends, where necessary, appropriate procedures for identifying these costs, and an estimate of the costs using 1986-87 cost data. Council does not provide recommendations at this time on the issue of incremental indirect and academic costs of providing cooperative education since Council has not yet completed its study of this aspect.

### **1.0 The Cost Study**

In reviewing the Minister's reference, Council believed it was important to examine broadly both the "direct" and "indirect" incremental costs of co-op programs in order to make a fair assessment of the costs which should be covered by ancillary fees. Consequently, Council requested in July, 1987 that, in addition to listing their co-op programs and enrolments, each institution which provided co-operative education programs should outline possible methodologies for identifying the "direct" and "indirect" incremental costs of providing co-operative education.

Council also engaged an external consultant to assess these submissions, consult with the institutions and students involved, and undertake a study "to examine the direct and indirect incremental costs of providing the existing co-operative education programmes in Ontario universities." Council has evaluated

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1. Letter from the Honourable Gregory Sorbara, Minister of Colleges and Universities, to Mrs. Marnie Paikin, April 23, 1987, p. 2.

the findings of its consultant,<sup>2</sup> and clarified certain points raised in the consultant's report through further discussions with the University of Waterloo and its student representatives. Based on the consultant's findings and the clarifications made by the University of Waterloo, Council is able to recommend what it believes is the most appropriate method for determining co-operative education fee charges.

## **2.0 Incremental Work-term and Placement Costs**

After reviewing the evidence which was received in regard to direct and indirect incremental costs of co-operative education, Council believes that the most appropriate factor in determining the costs which should be covered by student ancillary fees is the distinction between those costs related to work-term activities and costs related to academic activities. Work-term activities include the direct and indirect costs of work-term job placement and its administration as well as the evaluation of student work-term activity. In Council's view, these activities are external to the normal university activities. Their costs are not part of the normal operating costs of a university for which tuition fees represent the students' contribution. (As Council indicated in Advisory Memorandum 85-IX, it views tuition fees as the contribution made by students towards the normal operating costs of the university, including expenditures associated with instruction, non-sponsored research, and Academic support services such as the library, administration and physical plant maintenance.)<sup>3</sup>

Consequently, Council recommends that the following costs be eligible for support through student ancillary fees: (i) placement-service costs; (ii) maintenance costs of space used for placement service; and (iii) costs of evaluating student work-term activity.

### **2.1 Placement-service costs**

The first category of costs relates to the costs incurred by an institution in providing co-op students with work-term job placement services including on and off-campus liaison between employers and students, career counselling, resume writing services, and the organization, administration and record-keeping of these activities.

All universities involved in co-operative education have professional placement officers or co-ordinators and support staff responsible for this activity.

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2. William C. Found, The Incremental Costs of Co-operative Education Programmes in Ontario Universities: A Report to the Ontario Council on University Affairs, December 11, 1987.

3. For the purposes of defining eligible work-term costs for setting student ancillary fees, the term "co-op" work-term is used in this Advisory Memorandum to refer to work-study programs where the work-term component is not given academic credit as though it were a form of course work like the "practicum" component of some programs. The work-term portion of the program is in addition to a normal academic program and the student is generally rewarded financially for the work undertaken. As such, "Internship" programs at Wilfrid Laurier University are eligible for student ancillary fee support.



Most of the institutions have co-op placement departments responsible for administering work-term related activities. The expenses related to the student placement function are generally easily identifiable through the line-budgets for these administrative units.

Council recommends that the following types of expenditures should be eligible for coverage by ancillary fees:

- salaries and benefits of that portion of each position directly related to the provision of co-op placement services and work-term activity, including such positions as placement directors, administrators, managers, co-ordinators, officers, assistants, and administrative and support staff;
- non-salary expenditures attributable to the provision of co-op placement services and work-term activities including travel, telephone, mailing/postage, printing, photocopying, publicity, computing, equipment and furnishing, supplies and expenses, and external meetings, etc.

Cost estimates based on these expenditures should be net of any grant subsidies for these activities (e.g. subsidies from Employment and Immigration Canada). There should be no double counting of funding of these costs.

Table 1 provides an estimate of these costs for each institution for the year 1986-87.

## **2.2 Maintenance Costs of Space Used for Placement Service**

In addition to these direct costs of providing co-op placement services, Council believes it is highly appropriate that the costs of operating the physical space used for the placement function be eligible for support through student ancillary fees. Eligible space should include the space used for administrative and professional placement service staff, as well as for interviewing or meeting rooms used in the placement function. The costs of space used part of the time for other purposes should be adjusted according to the proportion of usage for placement service. The costs of maintenance, utilities, custodial service and security of this space should be eligible for coverage through student ancillary fees.

Council recommends that institutions should use the following methodology to calculate these maintenance costs:

- identify the total square footage/meterage of space for the placement function;
- where necessary, adjust this space allocation according to the proportion of its usage for the placement function; and
- apply the institution's average costs for the maintenance, utilities, custodial services and security of space, on a per square foot/metre basis (as indicated in the Committee of Finance Officers - University of Ontario financial reports) to the total identified square

footage/meterage to yield an estimate of the annual total costs of placement service space maintenance.

Table 1 presents the relevant calculations for 1986-87. As can be seen from this table, annual space-related maintenance costs are a small component of total placement expenditures.

### **2.3 The Costs of Evaluating Student Work-term Activity**

The University of Waterloo argues convincingly that it has additional work-term related costs arising from the evaluation of students' work-term activities. In particular, it incurs costs in faculty marking of student "work reports".<sup>4</sup>

Waterloo made a strong argument to Council that faculty time spent in marking work reports should be classified as work-term costs. In discussions with a subcommittee of Council, representatives of the university argued this activity was not a normal academic activity which could be associated with normal operating expenditures. They pointed out, for example, that in programs where there was both a co-op stream and a non-co-op or regular stream of study, a student can fail his or her work report and have to withdraw from the co-op program, but remain in the non-co-op stream with no adverse academic consequences. The institution makes a clear distinction between the academic component of their co-operative education program and the work-term related component:

...the fact that faculty time spent in marking work reports and in the administration of co-op programs are entirely extra demands, and not part of the academic curricula suggest that they are properly classified as work-term related costs. Further, we note that since these extra demands were not and are not recognized in the current grant and tuition funding mechanisms, it is appropriate to include these costs in the work-term related costs.<sup>5</sup>

When Council consulted the Federation of Students of the University of Waterloo concerning the appropriate co-operative education costs to be covered by student ancillary fees, the Federation's representatives disagreed in regard to the costs of marking work reports:

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4. The University of Waterloo also argued for coverage of the costs of faculty administration related to the co-op program. Council does not accept that costs associated with faculty administration of co-op programs should be covered by student ancillary fees. These types of activities are similar to those in a number of academic programs in other institutions, including programs with a placement or practicum component (e.g. social work programs), in which the costs of faculty administration are borne by the institution.
  5. Letter from Dr. Douglas Wright, President, University of Waterloo, to Dr. Paul Fox, February 1, 1988.

...the Federation believes that any definition of the fee should be consistent with the principles set out by O.C.U.A. regarding the reasonableness of an ancillary fee. In our view, this leads to a definition of the co-op or "placement" fee that includes the costs of the Department of Co-operative Education as well as their associated space and computing costs. All other costs, including costs associated with faculty administration and the marking of work reports are properly classified as teaching and instruction costs and are thus tuition-related.<sup>6</sup>

After reviewing the arguments put forward by the University of Waterloo and its Federation of Students, Council concludes that it is appropriate to identify the costs of work-term evaluation by faculty as eligible for coverage by student ancillary fees. However, the methodology for identifying the "costs" of this activity is not as obvious and straightforward as it was in the case in the two previous types of cost calculations above.

The costs referred to by the University of Waterloo are the costs of faculty time needed to be devoted to this evaluation. As such, there is no readily identifiable line-item of expenditures related to this activity. Nevertheless, Council has been convinced by the University of Waterloo's arguments that costs exist. In making its case, the University of Waterloo noted that in some departments with large co-op programs, faculty members are hired with the sole purpose of marking work reports. In other departments, faculty who mark these work reports are often given reduced teaching loads.

While Council accepts the position of the University of Waterloo that the cost of faculty evaluation of students work-term activities includes marking work reports, it does not accept all aspects of the methodology proposed by the institution. The University's methodology: (i) identifies the number of work reports to be marked in a year; (ii) determines the number of faculty who are needed to mark these on the basis of there being 226 working days in a year, that 45 minutes are required to mark one work report, and that one-third of a faculty member's time cannot be used for marking since it is used for research; (iii) determines the number of support staff needed for these faculty based on the institutional average of 1.6 support staff per full-time faculty member; and (iv) multiplies the generated number of faculty and support staff by their respective average salary levels.

Council alters two factors in the proposed methodology. The first factor it alters is the one-third discount for research. By introducing this discount, the University is in effect asking students to support the research activity of the incremental faculty through ancillary fees. As noted above, Council views tuition fees as the contribution made by students towards normal operating activities,

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6. Letter from Mr. Ted Carlton, President, Federation of Students, University of Waterloo, to Dr. Paul Fox, February 4, 1988.

such as faculty research. It is not appropriate that this research should be supported through students' ancillary fees. The institution should cover these costs through normal operating revenue. The second factor Council alters is the ratio of faculty to staff. Council recognizes the factor identified by the university is an institution-wide average ratio. However, Council believes that for the function of work-report marking a 1 to 1 ratio of faculty to support staff is adequate.

Consequently, Council recommends that the methodology for estimating the cost of work-term evaluation should be to:

- identify the number of work reports marked in one year by faculty;
- estimate the number of FTE faculty required to mark these on the basis of 226 working days per year and 45 minutes per report, which amounts to 2,480 reports per year per FTE faculty;
- estimate faculty costs by multiplying the generated FTE faculty devoted to work-term evaluation by the institution's average faculty salary and benefits;
- estimate the number of incremental FTE support staff required for the incremental FTE faculty by applying a 1 to 1 support staff to faculty ratio; and
- estimate support staff costs by multiplying the generated FTE support staff by the institution's average support staff salary and benefits.

Table 1 provides an estimate of these calculations for the University of Waterloo for 1986-87.

### **3.0 Summary and Recommendation**

As noted above, Council does not recommend a specific level of student ancillary fees to cover the costs estimated by the costing methodology outlined. Table 1 identifies the fees charged in 1986-87 and calculates the proportion of the estimated costs covered by these fees.

In Advisory Memorandum 85-IX, Council identified two overriding principles in setting compulsory ancillary fee levels:

- i) compulsory ancillary fees should not be allowed to rise to a level which impedes accessibility; and
- ii) compulsory ancillary fees should reflect the costs of goods and services provided.<sup>7</sup>

In devising the methodology outlined for determining appropriate levels of co-op placement fees, Council concentrated on ensuring that this methodology would meet these principles when applied to the university with the largest number of co-operative education students. (That is the University of Waterloo

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7. Ontario Council on University Affairs, Twelfth Annual Report, 1985-86, p. 112.



which accounts for 86% of Ontario's FTE co-op students.) Given the income earned by students during work-terms, Council believes that these principles will be maintained for the University of Waterloo if the co-op placement fees charged are allowed to increase to the point where they reflect the costs identified under the methodology outlined above.

However, in the case of other universities which do not enjoy the University of Waterloo's economies of scale, the proportion of costs currently covered by student ancillary fees is relatively small. If the same methodology were applied to these universities, they would be accorded greater latitude in raising their fees. Council is concerned that in some instances the application of this methodology would raise fees to levels which impede accessibility. Consequently, Council believes that it is appropriate to put a cap on the level of ancillary fees which can be charged for co-op placement. Council thinks that this maximum fee level should be established in relation to the fee set by the University of Waterloo. This would allow fees to rise to a reasonable level and ensure that students are not paying additional fees which reflect institutional diseconomies in offering co-op placement. Therefore, institutions should be allowed to charge co-op placement fees equal to the lesser of the fee generated under the methodology outlined above or the equivalent of the University of Waterloo's fee.

In defining the appropriate level of comparison for the University of Waterloo fee some clarification is needed. Given the different methods of assessing co-op fees identified in Table 1, it is important to identify what fee rates should be used for comparisons. At the University of Waterloo and some other institutions, fees vary in each year of study depending on the number of academic or work terms in which a student is enrolled in a particular year. Therefore, in Council's view, the appropriate base for comparison between fees charged are the average annual fees charged a student through the course of his/her entire program of study.

Institutions must be able to identify the next year's fee level sufficiently in advance of the year in which it is charged in order to notify students and to budget for the revenue generated. Therefore, institutions should be allowed to charge co-op fee levels up to the previous year's co-op placement fee level at the University of Waterloo level escalated by the new fiscal year's percentage increase in formula fees if the average costs generated under the methodology outlined above are equal to or greater than that generated for the University of Waterloo.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-5*

*CO-OPERATIVE EDUCATION WORK-TERM RELATED COSTS ELIGIBLE  
FOR COVERAGE THROUGH COMPULSORY STUDENT ANCILLARY FEES*

*THAT*, the types of costs identified in this memorandum related to co-operative education work-term be eligible for coverage by compulsory student ancillary fees, and that the methodology identified be used to calculate these costs.

Paul Fox  
Chairman

March 17, 1988

Table 1

## Student Placement Costs and Ancillary Fee Recoveries for Co-operative Education Programs: 1986-87

	Student Placement Costs							
	Guelph	McMaster	Ottawa	Toronto	Waterloo	Western	WLU	Windsor
1. Placement-service Costs (1)	\$239,585	\$101,892	\$273,533	\$55,392	\$3,165,667	\$63,885	\$457,822	\$30,384
2. Maintenance Costs of Placement-service Space								
i) Total "adjusted" square footage of placement-service space (1)	1,736	455	4,855	1,269	19,133	374	1,207	0
ii) Average cost of maintenance, custodial, utilities and security per square foot (2)	\$3.07	\$3.94	\$3.97	\$3.60	\$3.66	\$3.38	\$3.95	\$4.59
iii) Total cost of placement-service space maintenance, etc.	\$5,330	\$1,793	\$19,274	\$4,568	\$70,027	\$1,264	\$4,768	\$0
3. The Cost of Evaluating Student Work-term Activity								
i) FTE faculty required for work report marking @ 45 minutes per paper and 226 days per year (1)					2.1			
ii) Faculty work-term evaluation costs @ the 1986-87 average salaries and benefits (1) [University of Waterloo average salaries and benefits = \$62,385]					\$133,091			
iii) Support staff work-term evaluation costs at a faculty to support staff ratio of 1:1 and average 1986-87 salaries and benefits (1)					\$61,979			
iv) Total cost of evaluating student work-term activities	\$0	\$0	\$0	\$0	\$195,069	\$0	\$0	\$0
4. Total co-op placement costs	\$244,915	\$103,685	\$292,807	\$59,960	\$3,430,763	\$65,149	\$462,590	\$30,384
5. Student Ancillary Fee Revenue								
i) Student Ancillary Fee Revenue								
ii) Student Ancillary Fee (1)	\$115	\$160	\$0	\$26	\$195	\$0	75 or \$275	N/A
iii) Term(s) fee charged (3)	W	N/A	NONE	F	A	NONE	Y	N/A
iii) Total revenue from student ancillary fees (1)	\$40,365	\$24,450	\$0	\$18,371	\$2,661,000	\$0	\$72,721	\$1,320
6. Revenue as a Percentage of Costs	16.5%	23.6%	0.0%	30.6%	77.6%	0.0%	15.7%	4.3%

(1) Based on data provided by universities.

(2) Based on data from COFO-UO Financial reports, for 1986-87 fiscal year.

(3) W = fee paid by work term; A = fee paid by academic term; Y = annual charge; F = fee paid per full course equivalent; N/A = data not provided.

Notes:

1. Costs for W.L.U. include expenditures for "internship" programs. The annual internship fee for 1986-87 was \$75, the co-op fee was \$275.

2. Only the University of Waterloo indicated it had work-term evaluation costs. Other institutions may also incur these costs.

3. Only the University of Waterloo specifically identified the netting out of Employment and Immigration Canada's co-op subsidies. Therefore, the costs identified by the other institutions may be overstated by the amount of these subsidies.





## **88-III Northern Ontario Grants Review**

In this Memorandum, Council outlines the results of its review of the level and allocation of Northern Ontario grants and provides advice on the continuing allocation of these funds. This memorandum is divided into two parts: advice on the level and allocation of "regular" Northern Ontario grants related to operating universities in the North; and advice on the allocation of "special" Northern Ontario grants related to Northern universities providing services for the North. This duality of funding reflects Council's belief that there are two quite distinct purposes which Northern Ontario grants must fulfill. Council identifies what it believes are the most suitable mechanisms for meeting these objectives.

### **1.0 Background**

Funding for universities in Ontario's North has been of special concern to Council almost since its inception. Within five months of the appointment of the Ontario Council on University Affairs on September 25th, 1974, Council tendered advice in regard to special funding on the basis of unique circumstances arising from geographical location. In Advisory Memorandum 74-III, Council indicated that "particular geographic circumstances may warrant special treatment as a matter of deliberate public policy" and that "a move in this direction is urgently in the public interest at this time." Council encouraged "the Government of Ontario [to] adopt a deliberate policy of according special assistance to university education in Northern Ontario." It noted that the precise determination of appropriate funding would require careful examination but in the interim recommended a northern grant funding level for Lakehead and Laurentian of between 5 and 6 per cent of their formula incomes as well as specific dollar amounts to Algoma, Hearst, and Nipissing. This advice was accepted for the 1975-76 funding year.

During 1975-76, Council undertook a study of special Northern assistance in order to determine a means of "calculating assistance levels that would retain reasonable validity during at least the few years that doubtless remain before outstanding structural issues in Northern post-secondary education can be laid to rest".<sup>1</sup> This study considered costs associated with such areas as energy, academic and administrative travel, secondary school liaison, and the maintenance of a minimum range of programs. Council advised that, in order to have a method that would be simple to apply and yield a grant figure that would be known by each institution at the beginning of the budgetary cycle, the northern grant should be determined by applying a set percentage to the Basic Operating Income of each institution in the previous year.

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1. Ontario Council on University Affairs, "Advisory Memorandum 75-VII", Second Annual Report: 1975-76, p. 69.

In Advisory Memorandum 75-VIII Council recommended that the figure of 11 percent be applied to Lakehead and Laurentian, and the figure of 12 percent be applied to Algoma and Nipissing. Hearst's extreme isolation and the large area that it serves were cited as factors for recommending that it receive a fixed amount (\$90,000 in 1976-77), thereafter adjusted yearly according to the annual percentage change in its prior-year Basic Operating Income. This advice was accepted.

During the next few years, Council continued to employ this "mini-formula" in order to calculate and recommend Northern grants. However, by 1980 Council felt that a full review of the Northern grants was in order, and noted in Advisory Memorandum 80-VI that it expected such a review to take place in the forthcoming year. This intended review did not take place, primarily because the larger question of possible revisions of the structure of post-secondary education in Northeastern Ontario was itself an issue of study.<sup>2</sup>

By 1986 the examination of larger structural issues no longer prevented Council from fulfilling its commitment to review Northern grant funding. Consequently, in Advisory Memorandum 86-VII, Council noted that a review should be undertaken in 1987 with the objective of identifying the mission-related and operational costs associated with operating a post-secondary institution in the north.

## **2.0 The Review Process**

In a letter dated May 27, 1987, the Chairman of Council formally notified the two Northern universities, Lakehead and Laurentian, and Laurentian's affiliates, Algoma, Nipissing, and Hearst, that a review of Northern grants would take place during the next six to eight months and that it would be an "interactive and consultative" review similar to that used in the Bilingualism cost study, relying heavily on input from the institutions. In that same letter the institutions were requested to submit their views on both the actual criteria and the methodology they deemed to be appropriate for such a study.

Responses in the form of proposals which outlined suggested criteria for consideration and methodologies for measuring these criteria were received from all the Northern institutions involved in the study except Hearst. Council's Northern Ontario Grants Committee reviewed these submissions and concluded that additional information was required with respect to costing these grants and identifying specific methodologies. The two Northern universities were subsequently requested to submit additional details in the early Fall with respect to specific criteria, particularly with regard to the measurement of these criteria. Lakehead and Laurentian were asked to identify and apply appropriate methodology in order to determine:

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2. See Advisory Memoranda 82-XIV and 83-IX.

1. Differential costs associated with smaller class sizes resulting from the need to provide a reasonable range of programs/courses to a large area with a low population density;
2. Differential costs associated with very special small programs that are directly related to northern needs;
3. Differential costs of acquiring goods and services in the north;
4. Differential costs associated with utilities and snow removal;
5. Differential travel costs for administrators and faculty;
6. Differential costs for school liaison and recruitment;
7. Differential costs for telecommunications;
8. Differential costs associated with distance education, not covered by other specific grants;
9. Differential costs resulting from reduced availability of part-time staff.<sup>3</sup>

As noted above, Council required Lakehead and Laurentian to provide detailed costing calculations. It was felt that Algoma, Hearst and Nipissing might not have the resources available during the early Fall to devote to such a task and were not required to do so. However, Laurentian's affiliated colleges were given the option and encouraged to respond to any or all of the calculation requests if they wished to do so. None of the affiliates submitted a proposed costing methodology.

After reviewing the second round of submissions from Lakehead and Laurentian, the Northern Ontario Grants Committee identified the specific criteria it felt were applicable to the study, applied methodologies to measure these criteria, and calculated actual dollar figures. This review was detailed in a document of tentative recommendations sent to the two Northern universities which responded in the second round of consultations. In January the Northern Ontario Grants Committee met with representatives from Lakehead and Laurentian in order to hear their comments.

### **3.0 The Methodology and Costing**

From the outset of the study it was recognized that there is an obvious dichotomy in the costs related to the delivery of university education in the North.

The first type of incremental costs are "location-related" costs which result from operating an institution in the North. These differential costs include factors such as the incremental costs of providing access to a sufficiently broad array of program offerings in the Northern region, acquiring goods and services, utilities and snow removal, travel and Laurentian's affiliation agreement.

The second type of incremental costs of delivering university education in the North are "mission-related" costs stemming from the different responsibilities

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3. Letter from Dr. Paul Fox to the Presidents of Lakehead and Laurentian universities, September 9, 1987.

that must be assumed and roles that must be played by a university for the North. Incremental costs associated with operating for the North include activities such as developing and operating a northern research centre, providing distance education initiatives to remote communities, and the development of special programs related to regional needs.

Council has dealt with these two categories of costs quite differently. The primary focus of the cost study was to identify incremental costs associated with operating in the North and to assess the appropriateness of the current level and allocation of "regular" northern grants in reflecting these costs. The costs of being universities for the North have not been calculated, but Council is recommending a mechanism for allocating the "special" Northern grants towards projects incurring these costs.

### **3.1 "In" the North Costs**

The major focus of the northern grants review was to determine more accurately the appropriateness of the current level of "regular" Northern grants in reflecting the incremental costs of operating in the North. In order to do this, it was necessary to determine the elements that should be considered for funding under these grants and then to apply a methodology which would cost these elements, the object being to arrive at a dollar figure which reasonably approximates the additional costs of delivering university education in the North. Throughout this process, the focus was on Lakehead and Laurentian. The special and unique qualities of Algoma, Nipissing and Hearst do not permit the same criteria and methodologies to be used in their cases. Council proposes that Laurentian's affiliates review Council's recommendations and determine if there are some special circumstances which warrant further review. If so, then they should make a formal proposal to Council later this Spring, identifying and costing additional incremental costs not captured by the approach recommended by Council.

When Council initiated its Northern Ontario grants review, it considered that there was potentially a wide range of cost elements which might create incremental costs of operating a university in Northern Ontario. As indicated above, Council identified nine potential incremental cost items it wished to assess fairly early in the study and asked the two Northern universities to identify and apply their preferred measurement methodology.

A primary principle employed by Council to determine whether or not a particular cost element should be included in the costing methodology was that the costs indicators must demonstrate that the Northern institutions' costs are clearly different from the rest of the system, not simply "at" or "near the edge"



of the system.<sup>4</sup> After extensive review Council found five cost factors or elements that were deemed to have incremental costs associated with operating in Northern Ontario and which were measurable. These included: (a) costs associated with the need to offer a reasonable range of programs to a large geographic area which, in turn, results in smaller class sizes; (b) costs associated with purchasing goods and services in the North; (c) utilities' costs; (d) travel costs; (e) affiliation costs unique to the relationship between Laurentian University and Algoma, Nipissing and Hearst colleges.

### **3.1.1 Differential Costs Resulting From Small Student/Program Ratios**

Council believes that a critical part of the mandate of Northern universities is to provide access to a reasonably broad range of programs in a large geographic area. Council recognizes that with current participation rates in Northern Ontario the provision of a reasonable range of programs results in smaller class sizes and increased costs per student. However, in the course of its review Council became aware that the incremental costs associated with this necessary program breadth were very difficult to measure. Several methodologies were considered, including: (1) comparing the ratio of students per program at Northern institutions with appropriate Southern institutions and costing the difference; (2) using a regression equation to predict how many programs the Northern institutions would have if they were similar to the rest of the system, then funding the difference between the actual and predicted number of programs; (3) determining faculty/student ratios for the Northern institutions and then comparing these with the system average; (4) identifying the course sections which are the additional ones required to provide an acceptable range of programs in the north, and funding them.

An examination of these approaches identified advantages and disadvantages associated with each of them but, in the end, the first approach, that of comparing and costing a Northern ratio of students per program versus a system threshold ratio of students per program, was determined to be most appropriate. A description of Council's analysis of each of the approaches was distributed to the two Northern universities during its consultative process. This analysis is summarized below.

The regression equation approach was a methodology examined by Council to estimate the incremental number of programs that Lakehead and Laurentian currently offer in comparison with the estimated system norm for institutions of their size. The results of this analysis suggest that Lakehead and Laurentian

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4. Council notes that if comparisons were made to the "average" university, then any university which deviated from the average would be in a position to argue for supplementary funding. Consequently, it was concluded that in order to justify incremental funding, it must be demonstrated that there is a clear difference between the Northern institutions and the rest of the system. Where this difference was demonstrated, costing techniques were then employed to determine the cost differential between the North and the system edge.

have a broader array of program offerings than would normally be predicted (1.8 and 3.7 programs respectively, as defined by USIS fields of study, level 2). However, it was found that the results of this technique are easily influenced by the use of different measurement tools,<sup>5</sup> other institutions, particularly Windsor, also deviated from the norm, and no immediately obvious methods of costing "additional" programs could be identified.

The student/faculty ratio approach was suggested by both Lakehead and Laurentian. Under this methodology the ratio of the Northern universities' student/faculty ratios to either the system average ratio or the "edge" of system ratio is multiplied by the Northern institution's faculty salary bill. This approach was extremely sensitive to the differing assumptions used by Lakehead or Laurentian, giving quite contradictory results. Council interpreted these results to mean that the level of student/faculty ratios can be a function of institutional choice rather than a reflection of program breadth. Council also noted it is very difficult to identify the influence of different proportions of sessional, overload, part-time, and full-time teaching complements, as well as the degree to which a low student/faculty ratio at Laurentian is already funded through Bilingualism grants.

A costing of the supplementary course offerings related to the need for program breadth similar to the supplementary course offerings approach used in the Bilingualism cost study was also explored by Council. Council felt that if more programs and courses are required to provide a reasonable range of programs and courses to a large area with a low population density, then by identifying the additional courses the costing would be straightforward. However, while such an approach had intuitive appeal for Council, no specific methodology emerged for this type of analysis.

The approach used by Council to approximate the costs of providing a reasonable breadth of program offerings to meet regional accessibility needs compares the average number of students enrolled in Northern university undergraduate programs to the edge of system. The argument behind this approach is that in order to offer a reasonable degree program, a minimum faculty complement is required to provide an appropriate range of course offerings regardless of the number of students enrolled. Most institutions in Southern Ontario, whether small or large, can achieve economies of scale in each program offered by limiting the number of programs offered or increasing enrolment, thereby maintaining a sufficiently high ratio of students per program to cover the "threshold" costs of providing sufficiently broad course offerings. Given their mandate to provide a reasonably broad array of programs to large sparsely populated regions, Northern universities cannot offer as limited an array of programs as similar-sized universities in Southern Ontario.

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5. For example, if the Horizons listing of programs is used rather than the USIS fields of study the results are quite different.

A critical component of the formula to determine the financial impact of small enrolments per program is the threshold comparison point. Council believed it was inappropriate to consider the system average or existing levels of other small institutions. These factors would not identify the "minimum viable size" or "threshold" of enrolment required to support a program. Council examined the ratio FTE undergraduate students per USIS fields of study (level 2) for the three universities displaying the lowest ratios for institutions not receiving extra-formula grant support (Brock, Wilfrid Laurier and Windsor) for a six-year period to identify an appropriate "threshold" benchmark. As a result of this analysis, Council concluded that the most appropriate "threshold" ratio is 180 students per program. The only universities below this threshold are Lakehead, Laurentian and Trent.

Lakehead's and Laurentian's ratios of students per program have been well below the "threshold" level of 180 for a number of years. However, because the ratio of each of the Northern universities has varied from year to year, Council concluded that this variation should be adjusted by using a "Northern ratio" which combines and averages the two Northern universities' ratios of students per program for the three-year period 1984-85 to 1986-87. This resulted in a Northern ratio of 129 per program.

The final step in costing small program size is developing and applying a formula to cost the difference between the Northern ratio and the threshold ratio. In order to cost the difference between these two ratios, the following formula was used:

$(1 - (\text{Northern Ratio} / \text{Threshold Ratio})) \times \text{average system expenditures on faculty salaries} \times 2/3 \times \text{institutional Basic Operating Income} \times \% \text{ of B.I.U.'s associated with undergraduate funding.}$

The logic behind this approach is that 1 minus the Northern ratio divided by the threshold ratio represents the difference between the North and the system threshold. This difference is then multiplied by the average institutional expenditure on instructional costs and discounted by a factor of one-third. The result of this calculation is the percentage which, when multiplied by an institution's Basic Operating Income and adjusted for undergraduate funding, brings Lakehead and Laurentian to the threshold.

The one-third discount factor reflects the following considerations. Council does not believe that the relationship between adding programs, or more specifically program size, and increased costs is linear. Students majoring in any one program generally take a number of courses from other disciplines. This is particularly true in a liberal education. With greater program breadth, the need to provide additional service courses external to the program major should diminish as students are able to take these courses within the range of courses offered in other programs. Council also feels that the program size factor should reflect the incremental costs associated with access to instruction. Special Northern research initiatives should be covered under "for the North" activities. The one-third



discount factor also reflects this consideration.

Table 1 indicates the results of the calculation of the formula identified above for 1986-87.

### **3.1.2 Differential Costs of Acquiring Goods and Services**

The second type of incremental costs of operating Northern universities identified by the institutions were the differential costs of purchasing goods and services in the North. The approach adopted by Council for costing this differential was suggested by Laurentian. It involved identifying the differential costs of applicable goods and services, and then determining the actual differential factor to be multiplied by the total costs of these applicable goods and services.

The differential costs were calculated by subtracting salaries, expenses not associated with the purchase of goods and services (i.e., scholarships), and expenses considered elsewhere for special funding attention (i.e., utilities), from total expenses for goods and services. With the exception of long distance telephone charges, snow clearing expenses and supplies, and the estimated salary portion of externally contracted services, expenses were taken from the Committee of Finance Officers - Universities of Ontario (COFO-UO) financial reports. The actual percentage differentiation rates applied were 5% for Laurentian and 9% for Lakehead. The 4% spread acknowledged that Lakehead experiences higher shipping costs.

Table 1 indicates the results of this calculation for the year 1986-87.

### **3.1.3 Differential Costs of Utilities and Snow Removal**

The third type of incremental costs of operating Northern universities included in Council's costing methodology were the differential costs that result from climate and utility rates. The technique used to calculate these costs is very similar to that suggested by Laurentian.

First, the general climate differential was calculated by comparing the average number of "degree heating days" for the Northern universities to the number for those universities which best represent the edge of the system. This was then combined with gas rate differentials for the years 1984-85, 1985-86 and 1986-87, again by using the edge of the system for comparison. The combined differential was then multiplied by the actual gas costs at Lakehead and Laurentian.

The same approach was used to determine the differential for electrical heating. Based on Laurentian's recommendation, only 10% of these electrical costs were used since that is the estimated portion of electrical costs related to heating.

As Table 1 indicates, this methodology resulted in identifiable incremental costs for gas and electricity at Laurentian only. As a consequence of very favorable gas and electrical rates received by Lakehead, there were no differential costs of utilities identified for Lakehead.



A comparison of snowfall data for the period from 1951 to 1980 indicated that neither Lakehead nor Laurentian is different from the system in regard to this element. Three institutions - Western, Ottawa and Carleton - experience higher mean annual snowfalls. Therefore, no snow removal differential factor has been included in the costing exercise.

#### **3.1.4 Differential Travel Costs**

The calculation of differential travel costs focussed on bringing faculty and administrators to Toronto. In this regard, it was determined that while Laurentian is at the edge of the system, it is not significantly different. Its costs are very similar to those of Windsor, Ottawa and Carleton for travel both around the province and to and from Toronto.

On the other hand, travel between Thunder Bay and Toronto is more expensive than travel between any other Ontario university location and Toronto. Accordingly, Council determined the differential cost per trip, by air, and multiplied this figure by the number of faculty at Lakehead (230) and the number of senior administrators (10). Built into the final calculation was the assumption faculty members would average two trips per year and senior administrators would average twelve trips per year. The results of this travel differentiation cost for 1986-87 are found in Table 1.

#### **3.1.5 Affiliation Costs**

Laurentian University has a unique relationship with the colleges of Algoma, Nipissing, and Hearst. The result of this arrangement includes additional travel, registrarial and other record-keeping costs. In a separate submission, Laurentian provided documentation for these costs. The estimated costs for 1986-87 are found in Table 1.

#### **3.1.6 Summary of Northern Ontario Operating Grant**

As outlined above, Council's cost study focussed on Lakehead and Laurentian universities and required that the relevant indicators had to demonstrate that the Northern universities were clearly different from the system. Where differences between the North and the system were in evidence, costing techniques were applied to determine the difference between the Northern universities and the system.

The elements deemed appropriate for funding included: (a) costs associated with small classes resulting from the need to offer a reasonable range of programs to a large geographic area with a low population density; (b) the differential costs of purchasing goods and services in the North; (c) differential utility costs; (d) differential travel costs; and (e) costs associated with the affiliation arrangements between Laurentian University and the colleges of Algoma, Nipissing and Hearst.

As Table 1 indicates, there are very small differences between the calculated incremental costs of universities operating in the North and the "regular" Northern grants calculated under the current "mini-formula" for Laurentian and Lakehead. Council feels that it is most appropriate to treat the results of its cost study as confirming the validity of the current "mini-formula" approach. The methodology used in the cost study, particularly with respect to the small program size costing, is not in Council's view sufficiently conclusive or refined to make it the basis for grant determination, as is the case with the Bilingualism grants cost methodology. The incremental costs of institutions operating in the North are less tangible and less readily identifiable. It is more appropriate to treat the results as confirmatory in nature.

Therefore, Council concludes that the present grant level of 11% of Basic Operating Income (BOI) for Lakehead and Laurentian is appropriate. In line with the recent changes in the operating grants allocative mechanism, the BOI used in this calculation should become an institution's Base BOI as found in the Formula grants envelope. In the same manner, Council has concluded that the "regular" Northern grant funding for Algoma, Nipissing and Hearst should continue to be calculated using their respective "mini-formulae" adjusted to reflect the change in the operating grants mechanism. That is 12% of Base BOI for Algoma and Nipissing, and the current set sum for Hearst adjusted yearly according to the annual percentage change in its prior year Base BOI.<sup>6</sup>

Accordingly, Council *recommends to the Minister:*

**OCUA 88-6**

**NORTHERN ONTARIO OPERATIONS GRANTS FUNDING**

THAT, the "regular" ongoing Northern grant funding for Lakehead, Laurentian, Algoma, Nipissing and Hearst be allocated and determined according to the "mini-formulae" outlined in this memorandum and that this grant be known as the NORTHERN ONTARIO OPERATIONS GRANT.

### **3.2 "For" the North Costs**

For 1987-88, Government allocated \$3 million in special grants to Northern institutions. Council recommended in Advisory Memorandum 87-V that these grants be allocated in a formulaic manner, pro rata to the existing Northern grants distribution for 1987-88. Council also concurred with Government's stated purpose that these grants should be addressed to the particular needs of Northern

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6. As indicated in Advisory Memorandum 87-XIII, the change in the definition of BOI in the Formula grants envelope created some anomalies in Northern Ontario grants funding for Laurentian's affiliated colleges. For 1988-89, a floor provision (4.5%) was included in the calculation of the Northern Ontario grants to compensate for this discontinuity in BOI definition. This should not be necessary in subsequent years.

institutions in providing university-level studies in Northern Ontario. Council indicated at the time that it would include the Special Northern Ontario grants in its comprehensive review of Northern Ontario grants.

As noted above, in the course of its review Council concluded that there can be substantial costs associated with operating an institution of higher education **for the North**. These "mission-related" costs include costs associated with activities such as developing and operating Northern research centres, providing educational initiatives and access to remote communities and special segments of the population, and developing and offering special programs which meet regional needs such as native education programs.

Activities funded through this grant could include new Northern Ontario mission-oriented activities such as those mentioned in the previous paragraph, Northern Ontario mission-related activities that have been started since the introduction of this grant in the 1987-88 funding year, and Northern Ontario mission-related activities supported by funding from other sources where such funding is no longer available. Council has deliberately defined eligible activities rather broadly since Council believes that Northern institutions should be given considerable latitude in developing creative Northern mission initiatives. These institutions and the communities in which they are situated know what initiatives are most needed in their region and should be given the opportunity to develop them.

Council makes no recommendation as to the size of the total allocation for these purposes. This is a sum more appropriately established by declared public policy cast within a comprehensive plan for regional development. Instead, Council addresses the issue of the most appropriate method of distributing whatever funds are provided for such purposes.

As indicated in Advisory Memorandum 87-V, Council's initial preference for a mechanism for distributing the Special Northern Ontario grants was a challenge fund based on a competition among proposed projects. Council believed that this method would be most effective in enhancing the Northern mission of the Northern institutions. However, in the course of its review and discussions with the institutions involved, Council was made aware of a number of problems which might arise from a challenge fund.

The Northern institutions expressed concerns that the degree of effort required to prepare competitive submissions annually for these grants would be onerous for Lakehead and Laurentian and probably beyond the current capabilities of Laurentian's affiliated colleges. Council was extremely concerned that Algoma, Nipissing and Hearst would be at a distinct disadvantage in competing for these funds. Council was concerned also that a competitive challenge fund which included only Northern institutions could cause undue competitiveness among the institutions and communities involved when co-operative efforts to meet regional needs are required.

Consequently, Council now believes that the special Northern Ontario grant for activities "for the North" should be divided among the institutions by using the



same proportions as calculated for the Northern Ontario Operations grants. While not requiring a competitive challenge fund for distribution, these grants should not be considered block grants to be used for normal operating expenditures. The planned and actual expenditure of these grants should be monitored to ensure that these funds are used for mission-related activities.

Council recommends that in order to monitor these expenditures the Northern institutions should be required to report to Council at the beginning of each fiscal year how the funds received from these grants are to be spent to support activities related to their Northern Ontario mission. Council envisages that this reporting requirement will not be an onerous task. The reporting mechanism should be similar in nature to the current program reporting requirements for institutions with respect to identifying changes in their five-year graduate plans or new core Arts and Science programs. Under this procedure institutions could assume that Council has no objections to their planned expenditures unless Council specifically writes to the institution to give early warning that it considers the planned expenditures to be inappropriate. If the latter occurs, Council would undertake discussions with the institutions involved to explore ways of modifying the planned expenditure.

This approach would give both Council and the institutions an early warning of problems developing, placing the onus on Council to initiate any discussions and curtailing the need for institutions to get secure "approval" for annual expenditures. It also would provide a mechanism for reviewing the appropriateness of selected projects and the expenditures on them.

In addition to this early-warning procedure, the Northern institutions should be required to report three months after the end of each fiscal year to the Ministry of Colleges and Universities on how the funds received under this grant were spent to support activities related to their Northern Ontario mission. This requirement would be necessary only to assure Government that public funds are expended as intended.

Council believes that it could take several years for these expenditures to produce tangible results. These granting programs should be evaluated for continuation only after Northern institutions have had sufficient time to prove the worth of programs. Consequently, Council proposes that at the end of four years the institutions should submit to Council a summary report detailing the expenditures over the four-year period, including an evaluation of the impact of these expenditures on their Northern mission. Council would reserve its decision on future recommendations regarding this particular grant until it had reviewed the institutional reports. This time-frame should allow Northern institutions sufficient time to develop, initiate and test new mission-related activity.



Accordingly, Council *recommends to the Minister:*

OCUA 88 - 7

*NORTHERN ONTARIO MISSION GRANTS FUNDING*

*THAT*, the supplementary Northern Ontario grant be distributed to the Northern institutions in the same proportions as the Northern Ontario operations grants and that these grants be known as the NORTHERN ONTARIO MISSION GRANT.

Paul Fox  
Chairman

April 8, 1988

Table 1

Incremental Costs of Northern University Operations: 1986-87

Cost Elements	Lakehead	Laurentian
1. Smaller Class Size/ Wider Range of Programs	2,015,922	\$1,981,121
2. Goods and Services	452,733	218,403
3. Utilities and Snow Removal	0	134,380
4. Travel	87,000	0
5. Affiliation Costs	<u>0</u>	<u>78,744</u>
6. Total Costs	2,555,725	2,412,648
7. Actual Northern Grants Allocated	2,598,000	2,498,000
8. Total Costs as a Percentage on Grants Allocated	98.4%	96.6%

## **88-IV Government Support of the University System in 1989-90**

In this Memorandum, Council sets forth its advice on Government support for the Ontario university system for 1989-90. The advice consists of recommendations on base and targetted funding.

### **1.0 Government Support**

Government increased university operating support for 1988-89 by 7.5% over the total level of support in 1987-88. While the Government has made progress in its attempt to provide adequate funding to Ontario universities, there remains a substantial gap between the level of operating funding universities receive and the level of funding the universities need.

Since 1977-78, when Government last accepted Council's annual advice on the level of support required by the university system, Ontario universities have operated with less funds than have been necessary to meet basic system goals. The gap between the level of support provided by Government and level of support needed by the system has grown by an average rate of \$23.3 million per year. The rate of growth of this differential gap has diminished since 1985-86, but the gap continues to grow. Since 1985-86, it has increased by an annual rate of \$18.2 million.

Council is convinced that this trend must be reversed. Society should not have its expectations of economic growth and development of its universities stimulated by government which at the same time fails to provide the means to attain the modest basic goals set forth for the university system. Either the funding must be improved or service and expectations greatly reduced. If government is unable or unwilling to redress this shortfall significantly, it will have to accept a trade-off between its declared goals of accessibility and quality as universities adjust their responsibilities to match their means. At the same time it might be necessary to consider other sources of income, perhaps through tuition fee increases. If society, through Government, is unwilling to support the university system adequately then students may have to increase their share of the cost of university education.

### **2.0 Calculation of Funding Requirements for 1989-90**

In the following sections, Council outlines its estimates of the requirements for 1989-90. The calculations include Council's estimates of the funds necessary for the maintenance of operating support (Section 2.1), cyclical renewal of the existing physical plant (Section 2.2), deferred maintenance of physical plant (Section 2.3), the grant-in-aid for the Bar Admission Course (Section 2.4), the support of incremental costs associated with bilingualism programs (Section 2.5), and international graduate student differential fee waivers (Section 2.6).

## **2.1 Maintenance of Operating Support**

For 1988-89, Council adjusted its method of calculating the level of operating support required by Ontario universities. The implementation of a new operating grants allocation system in 1987-88 altered the funding of incremental enrolment changes. The new formula grants envelope became insensitive to increases in enrolment<sup>1</sup> and only slightly sensitive to reductions. Enrolment increases are funded now outside the formula grants envelope by means of the Accessibility Envelope. These changes have made it unnecessary to continue the practice of recommending adjustments to operating support based on enrolment shifts. Council has reassessed its basic funding objectives to reflect this change and adjusted its method of calculating funding requirements.

Council's approach to calculating the level of operating support required in 1989-90 is consistent with the approach adopted last year.<sup>2</sup> Government has already indicated its intention to fund enrolment growth in the 1989-90 fiscal year by increasing the size of the Accessibility Envelope to a maximum of \$88 million. Council has therefore not considered enrolment increases in its calculation of the amount of operating support required in 1989-90, nor commented on the adequacy of the level of support announced for enrolment growth.

### **2.1.1 Basic Funding Objectives for 1989-90**

For 1989-90 Council's basic funding objectives remain the same as for 1988-89, namely: 1) to address the erosion of operating funding; 2) to offset inflationary trends; and 3) to maintain levels of service dependent upon basic operating funding.

### **2.1.2 Cost of Basic Funding Objectives for 1989-90**

The method used to cost Council's basic funding objectives for 1989-90 and the factors employed to calculate the funds required are outlined below. Table 1 documents the results. The methodology used for calculating the cost of basic funding objectives is the same as for 1988-89.

#### **2.1.2.1 The 1988-89 Base (Column 1, Table 1)**

Council's estimate of the basic funding requirements for the university system for 1989-90 is calculated by adjusting the universities' estimated expenditures in 1988-89 by two factors: (a) Council's estimate of the erosion in operating funding from 1986-87 to 1988-89, and (b) Council's estimate of the cost of maintaining the resulting level of service. These calculations are based on the assumption that

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1. However, the Minister may, on the recommendation of Council, fund additional enrolments through an upwards shift in an institution's funding corridor.

2. Ontario Council on University Affairs, Advisory Memorandum 87-VIII, p. 6.



expenditures in 1988-89 will be equal to estimated revenues. The details of this calculation, including the grant categories covered in basic funding, are found in Appendix B.

Council estimates that the 1988-89 base of operating revenues and expenditures of all institutions (the fifteen provincially-assisted universities, the affiliated colleges, Ryerson Polytechnical Institute, the Ontario Institute for Studies in Education, the Ontario College of Art, and Dominican College) will be \$1,955.8 million. The 1988-89 base expenditures are apportioned according to their corresponding share in the universities' budgets; 79.2% for salaries and fringe benefits and 20.8% for non-salary items.

#### **2.1.2.2 Base Adjustment (Column 2, Table 1)**

Since 1986-87, Council has utilized a base adjustment factor in each year's funding advice to ensure that the funding base used in its cost of basic funding objectives model was not further eroded. Prior to this, Council's estimates of the financial requirements of the Ontario university system were calculated by escalating the universities' operating expenditures in the previous year by Council's estimate of the increase in the costs of maintaining the same level of service. This approach did not question the adequacy of funding in the previous year; it ignored that year's and prior years' shortfalls in funding and in effect "wiped the slate clean" each year. The result was that, prior to 1986-87, Council's estimates of the cost of basic funding objectives had a built-in and compounded understatement of the needs of Ontario universities.

The base adjustment factor takes into consideration prior inadequacies in base support, thus ensuring that the funding base used in Council's cost of basic funding objectives model is not eroded. It does not include the total cumulative shortfall in funding which has occurred since 1977-78. The factor is calculated by determining the shortfall in funding over the preceding three-year period. For 1988-89, Council has estimated the erosion in operating funding from 1986-87 to 1988-89.

Appendix A outlines Council's procedure for estimating the shortfall in operating support for 1988-89. Council estimates the shortfall in total operating support for the past three years to be \$62.4 million. This figure is used for the base adjustment in Column 2 of Table 1. It is apportioned between salary and non-salary expenditures according to each category's share of base budgets.

#### **2.1.2.3 Increases in Costs due to Inflation (Column 3, Table 1)**

Council has reviewed forecasts of the increase in the Consumer Price Index (CPI) for 1989-90 made by several competent authorities. Their projections ranged from 4.0% to 5.6%. Council has chosen a mid-point factor of 4.8% as its estimate of the increase in CPI. Using this figure as its salary inflation factor, Council arrived at an estimated addition of \$76.7 million in salaries and benefits.

Table 1

**The Cost of Basic Funding Objectives for 1989-90  
(\$ million)**

	1988-89 Base	Base Adjust- ment	Infla- tionary Trend	Service Level Costs	Cost of Basic Objectives
<b>Expenditures</b>					
Salaries and Fringe Benefits	1,549.0	49.6	76.7	21.8	1,697.1
Non-Salary	<u>406.8</u>	<u>12.8</u>	<u>21.8</u>	<u>22.0</u>	<u>463.4</u>
Total	1,955.8	62.4	98.5	43.8	2,160.5

**Notes:**

1. Factors for each column of the table are as follows:

	Salaries and Fringe Benefits	Non-Salary
Column 2:	\$49.6 million	\$12.8 million
Column 3:	4.8%	5.2 %
Column 4:	1.3 %	\$22.0 million

2. The above percentage change factors are applied to the cumulative total of the previous columns.

In the past five years, the annual increase in the Ontario University Non-Salary Price Index averaged 8.6% higher than the annual increase in CPI. Council's 1989-90 non-salary inflation factor is derived by increasing the projected 4.8% increase in CPI by the average differential between the increase in OUNSPI and CPI for this period. This yields a value of 5.2%, resulting in an estimated \$21.8 million in non-salary inflation costs.

#### **2.1.2.4 Increase in Costs of Maintaining Existing Service Levels (Column 4, Table 1)**

Council continues to identify and make provision for the costs of maintaining existing levels of service which are not related to inflation. For 1989-90, provision is made for both salary-related and non-salary service level costs.

**a) Salary-related Service Level Costs**

Council's 1989-90 provision for meeting the salary-related costs of maintaining levels of service is a response to the net cost of progress-through-the-ranks (PTR). This cost arises from the fact that because there is an uneven distribution in the age of the faculty and staff, the number of people retiring (with higher salaries) and being replaced by younger people (with lower salaries) is not sufficient to provide the total funds required for the normal progress through-the-ranks of continuing faculty and staff.

This deficiency is accentuated currently because some of the disciplines in which the universities are hiring more faculty, such as computer science, economics and business, are those in which there is greater demand and therefore higher starting salaries are required.

Moreover, since the number of new teaching staff available in the near future to replace existing faculty will be limited because of a world-wide shortage, the PTR problem will become more acute. Universities will be required to hire new faculty at higher salaries than in the past to attract top young scholars to Ontario universities. Furthermore, the disparity between the rapidly increasing levels of salary for new staff and the salaries of continuing faculty may cause further upward pressure on overall salary levels.

Council's concerns about faculty compensation were heightened by the results found in a consultant's study commissioned by the Council of Ontario Universities (COU) on comparative compensation for university faculty and senior administrative personnel. In that study, the consultants concluded:

4. On the basis of measured job content, compensation for academics at the midpoint of their career falls below that of the selected comparative groups.
5. Starting salaries for academics are considerably lower than those paid for jobs of equivalent size in either the public or private sectors and are a function of the extended probation and maturation process governing movement through the various academic ranks.
6. The high age threshold, low starting salaries and extended probation and maturation period, combine to impact negatively on the career earnings of faculty.<sup>3</sup>

The faculty flow model developed by the Council of Ontario Universities (COU) predicts that, for the existing age distribution of faculty, the net costs of providing for PTR in 1989-90 will be 1.3% of salaries and benefits.

Council continues to use the faculty flow model's estimate of the net PTR costs as a proxy for the net costs of providing for career progress for non-

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3. Hay Management Consultants, A Comparative Study of Compensation of Faculty and Senior Administrative Personnel in Ontario Universities, February, 1988, page 2 of Executive Summary.

academic staff since data on costs of career progress for non-academic staff are not sufficiently reliable to furnish an acceptable estimate of net PTR costs for this group. Therefore, the net cost of PTR for faculty and non-academic staff is estimated to be 1.3% of total salaries and benefits. This results in an additional \$21.8 million in the net costs of PTR.

Council notes that this net cost of PTR for universities is less than the estimated net cost of PTR for the Ontario Government. For the most recent year in which data are available, 1986-87, the public services costs of providing merit increases, promotions and reclassifications were approximately 2.2% of the previous year's payroll costs.

#### **b) Non-Salary Level Costs**

In Advisory Memorandum 87-VIII, Council valued the existing stock of equipment and furniture at \$1,264.6 million for 1988-89. When increased by the most recent percentage change in OUNSPI for these components the value becomes \$1,280.8 million.

Based on a 12-year replacement cycle, expenditures of approximately \$107 million are required in 1989-90 to meet cyclical renewal needs. Expenditure information provided by the institutions for 1987-88 and budgeted for 1988-89 suggests that institutions can be expected to spend from traditional sources of income between \$80 million and \$90 million in 1989-90 on equipment and furniture purchases and rentals. Council, therefore, estimates that in 1989-90 an additional \$22 million must be made available for the cyclical replacement of equipment and furniture.

#### **2.1.2.5 Total Cost of Basic Funding Objectives (Column 5, Table 1)**

The total cost of basic funding objectives in Column 5 of Table 1 is the sum of the first four columns. Council's estimate of the total cost of basic funding objectives for 1989-90 is \$2,160.5 million, representing a 10.5% increase over the 1988-89 estimated expenditure base.

#### **2.1.3 Estimated Government Grants Required to meet the Basic Funding Objectives**

As depicted in Table 2, Council estimates that the other income accruing to the university system in 1989-90, in addition to Government grants, will be:

- i) from other sources, \$88.9 million, which is the same as the amount projected for 1988-89;
- ii) from fees other than tuition fees, \$32.9 million, which is the 1988-89 projection adjusted for a projected 5.0% increase in enrolment in 1989-90; and



- iii) from formula tuition fees, \$346.1 million at 1988-89 fee rates and including a projected 5.0% increase in enrolment in 1989-90.

Consistent with Council's advice on formula fee rates in Advisory Memorandum 79-IV, formula fee rates are to be increased by the same percentage as operating grants. Therefore, formula fee rates and Government grants should be increased by 10.1%, as noted in Table 2, line 8. This percentage increase in formula fee rates may appear to be large, but Council believes that such an increase is necessary if Council's basic funding objectives are to be met.

Council estimates that of the total \$2,160.5 million required, \$1,657.6 million must be made available as Government operating grants to meet the cost of Council's basic funding objectives in 1989-90 (Table 2).

Accordingly, Council *recommends to the Minister and Lieutenant-Governor in Council:*

*OCUA 88-8*

*GOVERNMENT OPERATING GRANTS FOR 1989-90 TO MEET THE COST OF COUNCIL'S BASIC OBJECTIVES IN FUNDING PROVINCIALY-ASSISTED UNIVERSITIES AND THEIR AFFILIATED COLLEGES, RYERSON POLYTECHNICAL INSTITUTE, THE ONTARIO INSTITUTE FOR STUDIES IN EDUCATION, THE ONTARIO COLLEGE OF ART, AND DOMINICAN COLLEGE*

*THAT, \$1,657.6 million in basic operating grants be made available in 1989-90 to the provincially-assisted universities and their affiliated colleges, Ryerson Polytechnical Institute, the Ontario Institute for Studies in Education, the Ontario College of Art, and Dominican College.*

*OCUA 88-9*

*FORMULA FEE RATES FOR 1989-90 TO MEET THE COST OF COUNCIL'S BASIC OBJECTIVES*

*THAT, formula fee rates for 1989-90 be increased by the same percentage as operating grants, namely 10.1%, to provide \$381.1 million in formula fee revenue to the provincially-assisted universities and their affiliated colleges, Ryerson Polytechnical Institute, the Ontario Institute for Studies in Education, the Ontario College of Art, and Dominican College, and that this increase in formula fee rates be fully reflected in the Ontario Student Assistance Program.*

Table 2

**Cost to Government of Meeting Council's Basic  
Funding Objectives for 1989-90: Provincially-  
Assisted Universities, Affiliated Colleges, Ryerson,  
OISE, OCA, and Dominican College  
(\$ million)**

1. Cost of Basic Funding Objectives	2,160.5
2. Other Revenue	(88.9)
3. Other Fee Revenue	<u>(32.9)</u>
4. Total Formula Fees and Government Operating Grants required to meet Council's Basic Funding Objectives	<u>2,038.7</u>
5. Formula Fee Revenue at 1988-89 rates and the predicted 1989-90 level of enrolment funded by base operating grants	346.1
6. Estimated 1988-89 Operating Grants	<u>1,506.0</u>
7. Estimated 1988-89 Operating Grants and enrolment-adjusted Formula Fee Revenue (line 5 + line 6)	<u>1,852.1</u>
8. Percentage increase in Operating Grants and Formula Fee Revenue ( <u>line 4 - line 7</u> ) X 100 line 7	10.1%
9. Additional Formula Fee Revenue generated by an 10.1% increase in formula fee rates	35.0
10. Total formula Fee Revenue (line 5 + line 9)	381.1
11. Cost to Government of Basic Funding Objectives (line 6 increased by 10.1%)	<u>1,657.6</u>

## 2.2 Cyclical Renewal of Physical Plant

The Government has made a pre-commitment of \$440 million over a four-year period for the funding of capital projects at universities and colleges. For

1989-90, a total of \$77.7 million has been made available. While Council applauds the Government's initiative to increase capital funding, it is concerned by the meagre level of funding available for the renewal of physical plant. Of the \$77.7 million allocated, \$10 million is for the Special Enrolment Accommodation Program, \$5 million is assigned to the Student Residence Construction Program, and \$53.1 million is allocated to projects which provide increased space in the universities, and to the carry-over costs of existing projects. Although all of these projects should be undertaken, they leave only \$9.6 million for projects for which Council recommended capital funding in 1988-89 of \$38.3 million for new major repairs, renovations, alterations, and replacement projects.

In Advisory Memorandum 87-VIII, Council stated:

provision for the on-going cyclical renewal of universities is essential to maintain the capital stock of Ontario universities. Proper capital renewal of the universities' physical stock will provide direct benefits for research and teaching in Ontario universities. Maintaining renewal of physical plant avoids crisis management in this area. It also provides for much needed updating of facilities in Ontario universities. Major repairs, renovations, alterations and replacement projects can also have a significant impact on job creation in each community in which a university is located, providing employment in the local economy for construction trades and others.<sup>4</sup>

Council reaffirms this view.

Council continues to use a level of 1% of the value of the space inventory in the university system as the minimum necessary annually for major repairs, renovations, alterations and replacement projects. For 1989-90, the value of this space inventory has been adjusted for inflation by increasing last year's recommendation for capital assistance by 4.4%, which is the most recent annual increase in the Gross Domestic Product Implicit Price Index for Non-Residential Construction (from 1986 to 1987). While this brings the total cost of projects to \$40 million, Council notes that the figure may be too low since an inflationary adjustment of 4.4% may severely understate escalating construction costs in the province. In the course of Council's Spring 1988 hearings institutions indicated that the large salary settlements recently experienced in the construction industry have increased the costs of new construction projects beyond the levels estimated when these projects were budgeted. Council cannot offer advice confidently on what the new costs will be since it does not have a method of estimating the impact of these recent settlements, but it wishes to make Government aware of its concern.

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4. Ontario Council on University Affairs, Advisory Memorandum 87-VIII, p. 18-19.

Accordingly, Council *recommends to the Minister and Lieutenant-Governor in Council:*

**OCUA 88-10**

**LEVEL OF SUPPORT FOR MAJOR REPAIRS, RENOVATIONS,  
ALTERATIONS AND REPLACEMENT PROJECTS IN 1989-90 FOR THE  
CYCLICAL RENEWAL OF THE EXISTING CAPITAL STOCK**

*THAT*, funds for capital assistance for new major repairs, renovations, alterations and replacement projects in 1989-90 be \$40 million, plus any amount required for carry-overs and essential new construction.

**2.3 Deferred Maintenance of Physical Plant**

In Advisory Memorandum 87-VIII, Council recommended that funds for capital assistance include an allocation for deferred repairs, renovations, alterations and replacement projects. Council stated:

Council's annual recommendations on cyclical capital renewal assume that in every year of the life of university buildings a similar provision is made. Unlike some operating expenditures where a delay in funding or lack of funding affects only that particular year's operations, a shortfall in capital funding has a cumulative impact on the universities' physical plant. It is Council's view that if the universities have to continue to defer significant capital maintenance, they will require extraordinarily large outlays of capital assistance in the future. In the long run these outlays will be much more costly than the annual provision of adequate maintenance funds.<sup>5</sup>

Council believes that the underfunding of physical plant maintenance can only lead to the continued, unnecessary deterioration of university buildings. The Government's capital investment is being devalued since the funds available for repairs, alterations and replacement projects are inadequate. The situation must be remedied.

Council estimates that the cumulative shortfall in Government funding for cyclical renewal from the inception of Council's advice on this matter to the present amounts to \$254 million in 1988 dollars. Council recommends that Government deal with this problem over a ten-year period beginning in 1989-90 by funding annually 10% of the estimated cumulative shortfall in Government funding for cyclical renewal of the physical plant (\$25.4 million).

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5. Ontario Council on University Affairs, Advisory Memorandum 87-VIII, p. 23-24.



Accordingly, Council *recommends to the Minister and Lieutenant-Governor in Council:*

**OCUA 88-11**

**LEVEL OF SUPPORT FOR DEFERRED MAINTENANCE OF PHYSICAL PLANT IN 1989-90 FOR 1989-90**

*THAT*, in addition to the amount recommended in 88-10, funds for capital assistance in 1989-90 include, at a minimum, \$25.4 million for deferred repairs, renovations, alterations and replacement projects.

**2.4 Estimated Costs of the Bar Admission Course**

For a number of years, Council has consistently recommended that Government deal with the cost of the grant-in-aid for the Bar Admission Course of the Law Society of Upper Canada separately from its provision for Council's basic funding objectives. This recommendation has never been adopted. Council believes that the current arrangement of supporting the Bar Admission Course through core university grants is anomalous and must stop. As Council has indicated in the past, funding of the Bar Admission Course should not be included in basic operating grants because it diminishes the allocations to universities and sets a dangerous precedent for funding which other professional associations may seek to emulate. Council further recommends that in the future professional certification programs should not be funded from Ministry of College and Universities allocations. Consequently, the grant-in-aid of the Bar Admission Course should be phased-out in 1990-91.

Accordingly, Council *recommends to the Minister and Lieutenant-Governor in Council:*

**OCUA 88-12**

**FUNDING FOR 1989-90 FOR THE BAR ADMISSION COURSE**

*THAT* \$0.942 million be provided in 1989-90 for a grant-in-aid for the Bar Admission course, and that this grant be phased out in 1990-91.

**2.5 Incremental Costs of Bilingualism Programs**

Council is conducting a review of the incremental costs of bilingualism programs. While the results of this review could have funding implications for 1989-90, it is unlikely that Council will be able to provide specific advice to the Minister before December, 1988. Council therefore recommends that a preliminary provision be made. If the preliminary provision recommended by Council is inadequate, Council will recommend that additional funds be provided in 1990-91.

Accordingly, Council *recommends to the Minister and the Lieutenant-Governor in Council:*

**OCUA 88-13**

**ADDITIONAL FUNDING FOR THE INCREMENTAL COSTS OF BILINGUALISM PROGRAMS**

*THAT*, \$5 million be provided in 1989-90 as an initial step in recognition of the documented incremental costs of bilingualism programs.

**2.6 International Graduate Student Differential Fee Waivers**

On May 21, 1987 Government announced the introduction of a program of differential fee exemptions for 1,000 (later increased to 1,001) highly-qualified international graduate students. For 1987-88, Government contributed \$5,000 per student towards these waivers and the university system was required to absorb a loss in visa fee supplement income of \$1,465 per student.

Council welcomes this initiative to attract highly-qualified international students. However, it is concerned about the loss of income to Ontario universities from the partial payment of the waivers. As noted above, universities can ill afford a further erosion in funding. By not providing sufficient funding to cover the foregone fee income, Government is exacerbating universities' financial problems.

Council recommends that, for 1989-90, Government increase its differential fee waiver contribution to cover the entire fee differential. At the fee level recommended in recommendation 88-9, Government support per student would increase by \$2,213 from \$5,225 in 1988-89 to \$7,438 in 1989-90. For the 1,001 waivers, this would require Government to provide an additional \$2.2 million.

Accordingly, Council *recommends to the Minister and the Lieutenant-Governor in Council:*

**OCUA 88-14**

**ADDITIONAL FUNDING FOR INTERNATIONAL GRADUATE STUDENT FEE DIFFERENTIAL WAIVERS FOR 1989-90**

*THAT*, an additional \$2.2 million be provided in 1989-90 for international graduate student fee differential waivers.

**Conclusion**

It is Council's conviction that the funds recommended in this memorandum and summarized in Table 3 are the minimum required to maintain the Ontario university system. This minimum level of support does not allow for innovative and creative initiatives by the university system to meet new demands by Government to help further develop Ontario's society and economy. If additional

demands are to be placed on Ontario universities, additional funding will be essential to meet these demands.

Paul Fox  
Chairman

June 24, 1988

Table 3

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**Summary of Grant Recommendations for 1989-90**  
**(\$ million)**

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2.1 Maintenance of Basic Operating Support	1,657.6
2.2 Cyclical Renewal of Physical Plant	40.0
2.3 Deferred Maintenance of Physical Plant	25.4
2.4 Grant-in-aid for the Bar Admission Course	.9
2.5 Preliminary Provision for the Incremental Costs of Bilingualism	5.0
2.6 International Graduate Student Fee Differential Waivers	<u>2.2</u>
Total Grants Recommended	<u>1,731.1</u>

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**Revised Calculation of Shortfall in Funding for 1988-89**

The estimate of the basic funding requirements for 1988-89 contained in Memorandum 87-VIII has been revised to reflect up-dated estimates of CPI, furniture and equipment expenditures, 1987-88 base expenditures and enrolment changes. The inflationary factors for salary and non-salary items have moved from 4.6% and 5.6% to 4.1% and 5.0% respectively. The furniture and equipment factor has been reduced from \$25 million to \$22 million. The 1987-88 base expenditures have been increased from \$1,830.5 million to \$1,844.7 million. As a result, the revised estimate of the cost of basic funding objectives in 1988-89 is \$2,016.2 million.

An estimate of total funds available to the Ontario university system has also been made reflecting information on government grants, fees, and other income. Council now estimates that total fee income (formula tuition and other fees) will be \$360.9 million. Government operating grants supporting the cost of basic funding objectives will total \$1,500.8; this total is the difference between the \$1,545.0 million of total grants (A.M. 87-XIII) and the sum of \$11.12 million in line item grants, \$.863 million in bar admission course grants, \$27.0 million in accessibility envelope grants, and \$5.23 million in international graduate student differential fee waivers provided as a targetted operating grant for 1988-89. Other revenue is estimated to be \$88.9 million (\$77.8 million of which consists of universities' budget report values of other revenue, investment income and municipal and federal grants, and \$11.1 million in line item grants). Thus the total estimated revenue available to the system to meet the Cost Of Basic Funding Objectives is \$1,950.6 million.

The revised estimate of the shortfall in revenue compared to expenditures required to meet the basic funding objectives is \$65.6 million, (\$2,016.2 - \$1,950.6 million).

Council's estimate of total operating funding needs for 1988-89 is the sum of the revised estimate of the cost of basic funding objectives (\$2,016.2 million) and the additional \$10 million for Current Cost Studies recommended in Advisory Memorandum 87-VIII. This equals \$2,026.2 million.

The estimate of the total operating funds available for 1988-89 is the sum of the estimate of the funds available for the cost of basic funding objectives (\$1,950.6 million) and the new targetted operating grants provided for 1988-89 (\$5.23 million for 1,001 international graduate student differential fee waivers). This amounts to \$1,955.8 million.

Total operating funding needs minus total operating funds available reveal a shortfall of \$70.4 million (\$2,026.2 million - \$1,955.8 million). Since Council uses a three-year rolling average calculation of shortfall for the base adjustment, the 1985-86 shortfall of \$8.0 million must be subtracted. Therefore, Council estimates that the shortfall in total operating revenue for 1988-89 is \$62.4 million (\$70.4 million - \$8.0 million).

Table A-1

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**Revised Operating Funding Shortfall for 1988-89**  
**(\$ million)**

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Council's Revised Recommendations

Cost of Basic Funding Objectives (A)	2,016.2	
Additional Grants Recommended		
Current Cost Studies		<u>10.0</u>
Total Operating Needs (B)		2,026.2

Estimated Revenues Available

Revenue Available for the Cost		
of Basic Funding Objectives (C)	1,950.6	
Additional Operating Grants Available		
International Graduate Student Waivers		<u>5.2</u>
Estimated Total Operating Revenue		
Available (D)		1,955.8

Shortfall in Funds Available

Funds available for the Cost of		
Basic Funding Objectives (A-C)	<u>65.6</u>	
Funds available for Total		
Operating Needs (B-D) (E)		<u>70.4</u>
1985-86 Shortfall (F)		<u>8.0</u>
Calculation of Shortfall Using		
Three year rolling average (E-F)		<u>62.4</u>

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### **The 1988-89 Base**

This appendix outlines the derivation of the 1988-89 base used in Council's funding exercise. For the purpose of this exercise, Council assumes that system expenditures equal total revenues, and estimates total operating revenue at \$1,955.8 million in 1988-89. Table B-1 provides details of 1988-89 revenues by type.

#### **Formula and Non-Formula Grants**

The figure \$1,506.0 million for 1988-89 found in Table B-1 is derived by subtracting \$11.1 million in Line-Item-Grants, \$0.863 million to be used for the grant-in-aid to the Bar Admission Course and \$27.0 million in Accessibility Envelope Grants from the \$1,545.0 million in Operating Grants for 1988-89 announced by the Minister on November 19th, 1987. This figure includes the grants provided as faculty renewal grants, international graduate student fee waiver grants, differentiation grants, Northern Ontario grants, bilingualism grants, institutional weight adjustment grants, program adjustment grants, research overhead/infrastructure grants and formula grants. (Grant totals recommended by Council can be found in Advisory Memorandum 87-XIII.)

#### **Formula and Other Fees**

In each year, Council's funding base includes only that fee revenue which is derived from formula fees and other fees. Any revenue accruing to the universities as a result of the application of their discretionary tuition fee power has been excluded from the base. The 1988-89 formula fee revenue is estimated to equal \$329.6 million. This is calculated by applying the 1988-89 formula fee rates and enrolment changes to the 1987-88 fees. This figure also includes an estimate of the supplementary foreign fee revenue and third-term graduate formula fees. The Other Fee Revenue estimate of \$31.3 million was based on the universities' budget reports for 1988-89.

#### **Other Revenue**

Other revenue for 1988-89 of \$88.9 million includes Ministry line-item grants of \$11.1 million and an estimated \$77.8 million in other sources of operating income including municipal and federal grants and investment income. The latter amount was derived from the universities' reports on budgeted revenue for 1988-89. Other revenue excludes any amounts provided for municipal taxation payments and income from gift, donations and non-government grants.

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Table B - 1

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**Estimated University System Revenue for 1988-89**  
**(\$ million)**

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Formula and Non-Formula Grants*	\$1,506.0
Formula Fees	329.6
Other Fees	31.3
Other Revenue**	<u>88.9</u>
Total	\$1,955.8

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\* Excludes Ministry line-item grants and Bar Admission Course grant-in-aid.

\*\* Includes Ministry line-item grants.

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## 88-V International Graduate Student Differential Fee Waivers

### 1.0 Introduction

In 1987, the Minister of Colleges and Universities introduced a program of differential fee exemptions for 1001 highly-qualified international graduate students.<sup>1</sup> Council welcomed Government's initiative to improve Ontario's universities' ability to attract highly-qualified international graduate students.

For 1987-88, the Government contributed \$5,000 per student towards these waivers. Waivers were allocated among Ontario universities according to each institution's three-year average of full-time graduate student enrolment, subject to a minimum of not less than three waivers for any institution with graduate enrolment. The amount provided by Government for fee waivers was increased for 1988-89 by 4.5% to \$5,225 per waiver.

The differential visa fees collected by institutions from graduate and undergraduate international students are normally pooled and redistributed to the system on the same basis as formula grants for that year. Visa fee waiver recipients were excluded from the normal differential fee assessment related to the visa fee pool redistribution. If all the 1,001 waivers were distributed to international students enrolled for three academic terms and international student enrolment did not increase, this would reduce the size of the visa fee redistribution pool by an estimated \$6.5 million in 1987-88.

On January 20, 1988 the Minister of Colleges and Universities requested that Council provide advice with respect to the procedure for allocating the funds associated with the fee waivers for 1988-89 and future years. This referral was in response to concerns raised by some institutions that the fee waiver mechanism used for 1987-88 had a distorting influence on university funding. They argued that under the mechanism chosen, those institutions without relatively large graduate student enrolments bore a disproportionately large share of the cost of the waivers through a loss of revenue from the visa fee pool.

In this memorandum, Council reviews the policy context and the distributive mechanism for the Government's contribution to international graduate student differential fee waivers, and recommends what it believes to be the most appropriate mechanism for distributing the Government's contribution. This is not a review of the distribution of the visa fee waivers per se, only Government's compensation.

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1. For the purpose of this memorandum the terms international students, foreign students or visa students refer to non-exempt foreign students as described in the Ontario Operating Funds Distribution Manual.

## **2.0 Differential Fee Policy**

Differential fees for visa students were introduced in January, 1977. The purpose of this action was to ensure that "a greater share of the financial burden of educating foreign students be shifted from the shoulders of Ontario citizens".<sup>2</sup> The fee differential was increased in 1982-83 to ensure that visa students would pay "a higher proportion, than formerly, of the costs of their education."<sup>3</sup> On the recommendation of Council, the planned second stage increase in visa graduate student fee rates (which would have brought these fees to a level roughly two-thirds of instructional costs) was not implemented. Despite this action to limit the anticipated decline in exempt and non-exempt visa graduate student enrolment, Fall full-time enrolments for these categories of foreign students declined by 21.3% from 3,307 in 1981 to 2,602 in 1986. This compares with a visa graduate enrolment level of 2,794 full-time students when the differential fee was first introduced in 1977.

Since the inception of differential fees for visa students, the revenue from these additional fees has been redistributed among all universities according to their share of Basic Operating Income. This redistribution mechanism is commonly referred to as the visa fee pool. The policy of redistributing differential fee revenue was established to ensure that there would be no direct financial incentive for any university to enrol foreign students rather than equally qualified domestic students. Financially, all universities were assured they would benefit from the presence of international students regardless of the university at which the visa students were enrolled. The revenue generated from differential fees is treated as university system revenue not as an individual institution's entitlement.

The distributive mechanism for Government's contribution to the funding of the international graduate student differential fee waivers used for 1987-88 introduced a marked departure in the treatment of the differential revenue associated with international students. Under the procedures used in 1987-88, the revenue provided by Government became an institutional entitlement to additional funding, directly related to the enrolment of international graduate students. The revenue generated by these students was no longer a shared resource. However, the resulting loss of differential fee revenue from the visa fee pool was treated as a shared loss.

The Deputy Minister of Colleges and Universities argued on September 8, 1987:

As you are aware, the concept of a differential visa fee pool was originally developed on the basic principle that individual institutions

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2. Letter from the Honourable H. Parrott, Minister of Colleges and Universities, to Dr. J.S. Dupre, Chairman, Ontario Council on University Affairs, May 4, 1976.
  3. Letter from the Honourable B. Stephenson to Dr. W.C. Winegard, Chairman, Ontario Council on University Affairs, February 18, 1982, p. 2.

should not have a financial incentive to enrol international students. The recent announcement of the \$5 million fund is, however, premised on a contrary principle, that is, that institutions with graduate programs should have an incentive to enrol highly-qualified international students.

The objective of the program is not just to reduce costs for 1,000 visa graduate students as you have suggested, but rather to attract 1,000 highly qualified graduate students. It would, therefore, be inappropriate and, in fact, counter-productive, to the thrust of the initiative, for the monies allocated under this incentive to be allocated to the differential visa fee pool.<sup>4</sup>

In reviewing this issue, Council concurs with the Deputy Minister that the current policies for international students have different policy objectives and financial impacts. These objectives can be summarized as follows:

- 1) that international undergraduate students and international graduate students (non-waivered students) should pay a higher proportion of the costs of their education than domestic students;
- 2) that individual institutions should not have a financial incentive to enrol international undergraduate students and international non-waivered graduate students in preference to equally qualified domestic students; and
- 3) that 1,001 highly-qualified international graduate students should be attracted by reducing their fees to the domestic student level.

While the first two and the third objectives appear to be in conflict, this conflict can be resolved.

Council believes that the primary objective with respect to foreign graduate student financing should be to attract a minimum number of highly-qualified students. Council has noted previously that there are many cultural and academic benefits to having international students enrolled in Ontario universities and it is important to have an appropriate mix of domestic and international students.<sup>5</sup> Given these considerations, it is important to promote increased enrolment of international students.

In Council's opinion this objective does not conflict with the objective of ensuring that there is no financial incentive to choosing a foreign student over an equally qualified domestic student as long as there is excess capacity in the Ontario university system. Council believes that excess capacity currently exists in graduate studies in Ontario universities.

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4. Letter from Mr. Allan K. Adlington, Deputy Minister of Colleges and Universities to Dr. Brian Segal, President, Ryerson Polytechnical Institute, September 8, 1987.

5. See Ontario Council on University Affairs, "A.M. 82-IX", Ninth Annual Report, 1982-83, pp. 120-121.

### **3.0 Waiver Revenue Distribution**

In developing its advice on the procedures for allocating the funds associated with fee waivers for 1988-89, Council invited institutions to comment on the appropriate allocative mechanism. Council received many insightful comments on this issue. However, opinions varied substantially, with arguments both for and against the current distribution mechanism.

Some of the arguments presented in favour of continuing the current distributive mechanism were: the present method of funding directs the assistance to where the graduate students are enrolled; undergraduate institutions have received a windfall from proportionately larger visa graduate enrolment subsidizing the undergraduate enterprise; all universities benefit because waivers stimulate interest in Ontario universities' graduate studies; and direct linking of funding of waivers is the only incentive offered to a university to use the waivers to attract visa graduate students, since the costs of providing required support to attract these students far exceed the value of the waiver.

Some of the arguments against the current allocation procedures were: the current waiver approach ignores the principles behind the common ownership of visa fee revenue; the initial intention of the waiver system was to enable universities to attract highly qualified international graduate students and not to increase general graduate student enrolment, to redistribute the visa pool among undergraduate and graduate institutions, provide additional funds for graduate enrolment, nor to offset increasing infrastructure costs of graduate research; and there is no demonstrable difference in the cost of educating a visa graduate student and a domestic graduate student.

Council has considered the arguments made both for and against the continuation of the present allocative mechanism. A critical factor in assessing these arguments is whether Government funding of waivers is considered to be strictly compensation for foregone visa fee revenue or is considered to be a separate funding enhancement to attract highly qualified international graduate students. If Government funds are intended to be restricted to compensation for foregone income, then it would be appropriate to distribute the grants through the visa fee pool or by increasing the general level of formula grants. If, however, these grants are available to initiate a new policy of attracting additional highly qualified international graduate students, it would be more effective to allocate the grants to the institutions receiving the waivers.

Council concludes that, given the objectives outlined above, these grants should be considered as a separate funding enhancement for international students. Consequently, Council recommends that, for 1988-89 and beyond, Government grants for the international graduate student differential fee waivers be allocated in the same manner as in 1987-88.



Accordingly, Council *recommends to the Minister:*

*OCUA 88-15*

*DISTRIBUTION FOR INTERNATIONAL GRADUATE STUDENT  
DIFFERENTIAL FEE WAIVERS GRANTS IN 1988-89 AND BEYOND*

*THAT*, Government grants associated with international graduate student differential fee waivers be distributed to institutions in proportion to the number of waivers received and that the waived differential fee not be counted in the visa fee redistribution pool.

Paul Fox  
Chairman

July 7, 1988



## 88-VI The Ontario Graduate Scholarship Program 1989-90

### 1.0 Introduction

The Ontario Graduate Scholarship Program was established in 1973 by the Government of Ontario to encourage excellence in graduate studies. Since its establishment, this program has made available a total of 16,945 scholarships to outstanding graduate students studying at Ontario universities. Council wishes to underline the importance of this program for attracting and nurturing excellent scholars in this Province.

In this Memorandum, Council submits its advice on the value, number, and distribution of the Ontario Graduate Scholarships for 1989-90. This advice is tendered in accordance with Council's long-term objectives for the Ontario Graduate Scholarship Program which were outlined in Advisory Memorandum 85-VI, The Ontario Graduate Scholarship Program, 1986-87 and the modifications to the institutional award category which were recommended in Advisory Memorandum 87-IX, The Ontario Graduate Scholarship Program, 1988-89 and accepted by the Minister.

### 2.0 Scholarship Stipend Value

In response to Advisory Memorandum 87-IX, The Ontario Graduate Scholarship Program 1988-89, the Minister announced that the value of the Ontario Graduate Scholarship (OGS) stipend for 1988-89 would increase from the 1987-88 level of \$9,105 or \$3,035 per term to \$9,510 or \$3,170 per term.<sup>1</sup> This represented a 4.45% increase in the value of the award.

To encourage excellence in graduate studies within the Ontario university system, Council believes that the OGS stipend must be set at a level which will attract and retain excellent graduate students. Since Advisory Memorandum 85-VI, Council has recommended repeatedly that the value of the OGS stipend should be restored to its original level of 80% of the average value of the Federal government scholarships available from the Natural Sciences and Engineering Research Council (NSERC) and the Social Sciences and Humanities Research Council (SSHRC). As Table 1 illustrates, subsequent to this recommendation, the value of the award increased from 62.9% in 1985-86 to 77.2% of the average value of these two federal awards by 1987-88. However, for 1988-89 the value of the OGS award dropped to 76.1% of the average value of NSERC and SSHRC scholarships.

Council is concerned about the recent decrease in the comparative value of the OGS award for 1988-89. Council remains convinced that if this scholarship program is to be restored to its original level of status, importance and effectiveness, the value of the scholarship must continue to increase until the desired level of 80% of the mean value of the NSERC and SSHRC awards is achieved. The gains of the recent past must not be eroded.

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1. Letter from the Honourable Lyn McLeod, Minister of Colleges and Universities, to Dr. Paul Fox, July 6, 1988, p. 1.

Government support for the value of the OGS award must be demonstrated by regaining an increase in the value of the award which is appropriate in comparison to the value of the NSERC and SSHRC awards.

Table 1

**Comparative Scholarship Stipends**

	OGS	NSERC PGS Awards <sup>1</sup>	SSHRC Doctoral Scholarships	OGS % of NSERC/ SSHRC Average Value
1974-75	\$3,400 <sup>2</sup>	\$4,500	\$4,000	80.0
1975-76	3,400 <sup>2</sup>	5,000	5,000	68.0
1976-77	3,750	5,520	5,500	68.1
1977-78	4,350	6,000	6,000	72.5
1978-79	4,500	6,360	6,360	70.8
1979-80	4,800	7,000	6,750	69.8
1980-81	4,890	8,500	7,860	59.8
1981-82	5,700	9,350	8,760	63.0
1982-83	6,270	10,500	9,720	62.0
1983-84	6,585	11,100	10,800	60.1
1984-85	6,915	11,600	11,340	60.3
1985-86	7,305	11,600	11,640	62.9
1986-87	8,760	11,600	12,000	74.2
1987-88	9,105	11,600	12,000	77.2
1988-89	9,510	12,750 <sup>3</sup>	12,240	76.1

1. NSERC post-graduate scholarship (PGS) values are those in effect in the Fall of each academic year.
2. Adjusted to take account of the integration of fees into the award in 1976-77.
3. Average value of NSERC awards of \$13,500 for engineering and computer science fields and \$12,500 for all other fields, weighted by the estimated number awards in each category, 1/4 and 3/4 respectively.



If the OGS award is to have 80% of the estimated mean value of the NSERC and SSHRC awards in 1989-90, it will be necessary to raise the value of the OGS award to \$10,231 or \$3,410 per term, which would represent an increase of 7.6%<sup>2</sup>

Accordingly Council *recommends to the Minister:*

OCUA 87-16  
ONTARIO GRADUATE SCHOLARSHIP STIPENDS 1989-90

THAT, in 1989-90, Ontario Graduate Scholarships carry a minimum stipend value of \$10,231 or \$3,410 per term.

### 3.0 Number of Awards

As indicated in Table 2, since 1978-79, with the exception of 1981-82, the total number of Ontario Graduate Scholarship awards available has been maintained at 1,200. Council is concerned that there has been a steadily increasing disparity between the number of qualified applicants and the number of stipends awarded. During the decade from 1978-79 to 1988-89 while the number of applications has increased by 54%, the number of applicants supported by the program has declined from 23.8% in 1978-79 to 15.4% in 1988-89. During this same ten-year period the total number of awards available has not increased from the initial number of 1200.

The greatest application pressures in 1988-89 came from the social sciences, humanities, and biological sciences, with overall increases since 1978-79 of 52%, 32% and 75% respectively. As Table 3 illustrates, notable increases have occurred in all disciplines since 1978-79.

The growth in the number of applications since 1978-79, without any corresponding increases in the number of awards, has resulted in many excellent applicants being denied a provincial scholarship. Council remains extremely concerned about the continuing decline in the proportion of awards to applicants.

In Advisory Memorandum 87-IX, Council noted its agreement with the recommendations of the then Chairman of the Ontario Graduate Studies Selection Board when he advised that "the Ministry give serious consideration to the increase in the number of Ontario Scholarships beyond the 1200 now available."<sup>3</sup> The current Chairman of the OGS Selection Board also has indicated that the number of awards available is insufficient, stating:

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2. This value is determined by using the announced 1989-90 NSERC values of \$13,500 for the fields of engineering and computer science, and \$12,500 for all other fields, weighted by the estimated number of awards in each category (one-quarter for engineering and computer science and three-quarters for the remaining science fields) (\$12,750), and an estimated SSHRC value based on the 1988 value (\$12,240) inflated by an estimated cost-of-living factor of 4.8%, (\$12,827.52).

3. Ontario Council on University Affairs, Advisory Memorandum 87-IX, The Ontario Graduate Scholarship Program 1988-89, p. 5

One major issue is the actual number of fellowships. To be successful a student must have a first class average with few exceptions. A large number of excellent and deserving students are unsuccessful each year. The final recommendation is that **the Ministry seriously consider increasing the number of scholarships above the current 1200.**<sup>4</sup>

Table 2

**Number of OGS Awards and Applicants 1978-79 to 1988-89**

	Total Number of Awards Available	Total Number of Applicants	% of Applicants Supported by the Program
1978-79	1,200	5,041	23.8
1979-80	1,200	5,171	23.2
1980-81	1,200	5,711	21.0
1981-82	1,000	5,971	16.7
1982-83	1,200	6,249	19.2
1983-84	1,200	7,222	16.6
1984-85	1,200	7,320	16.4
1985-86	1,200	7,305	16.4
1986-87	1,200	7,190	16.7
1987-88	1,200	7,473	16.1
1988-89	1,200	7,771	15.4

Source: Ministry of Colleges and Universities Student Awards Branch

In 1987-88 Council recommended that an additional 100 scholarships be created for the 1988-89 competition. Although the Minister did not accept Council's recommendation, Council still believes firmly that there should be more scholarships and an increase in the total number of awards for 1989-90. Council therefore recommends that the total number of awards for 1989-90 be increased from 1,200 to 1,300.

4. Dr. Paul G. Young, Report of the Chairman of The Ontario Graduate Scholarship Selection Board 1988-89 Competition, p. 12.

Table 3

OGS Applications - Distribution 1978-79 to 1988-89						
	Human- ities	Social Science	Physical Science	Biological Science	Applied Science	Total
1978-79	1,307	1,805	645	880	404	5,041
1979-80	1,338	1,931	590	929	383	5,171
1980-81	1,376	2,128	658	1,100	449	5,711
1981-82	1,410	2,265	685	1,124	487	5,971
1982-83	1,396	2,260	810	1,196	587	6,249
1983-84	1,505	2,670	865	1,430	752	7,222
1984-85	1,552	2,627	914	1,403	824	7,320
1985-86	1,556	2,681	756	1,435	877	7,305
1986-87	1,596	2,594	726	1,439	835	7,190
1987-88	1,669	2,670	708	1,516	910	7,473
1988-89	1,730	2,747	930	1,539	825	7,771
% change 1987-88 to 1988-89	3.7	2.9	31.4	1.5	(9.4)	4.0
% change 1978-79 to 1988-89	32.4	52.2	44.2	74.9	104.2	54.2

1. Source: Ministry of Colleges and Universities, Student Awards Branch

Accordingly, Council *recommends to the Minister:*

*OCUA 88-17*

*NUMBER OF ONTARIO GRADUATE SCHOLARSHIPS FOR 1989-90.*

*THAT*, in 1989-90, 1,300 Ontario Graduate Scholarships be made available for:

- a) open competition;
- b) institutional awards; and
- c) visa students; and

that Institutional awards for 1989-90 be distributed according to Recommendation 87-40 in Advisory Memorandum 87-IX.

#### 4.0 Visa Student Awards

The Ontario Graduate Scholarship Program rewards visa student scholars for academic excellence and permits Ontario universities to compete with

other provinces, and other nations, for outstanding visa students.

Council believes that the presence of a minimum number of academically outstanding visa graduate students in Ontario provides great benefits to the universities in which they are enrolled. Council recommends, therefore, that the present number of visa student awards be continued.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-18*

*ONTARIO GRADUATE SCHOLARSHIPS TO PERSONS ON STUDENT VISAS IN 1989-90*

*THAT*, in 1989-90, 60 scholarships be reserved for persons who at the time of application are student visa holders.

## **5.0 Conclusion**

The Ontario Graduate Scholarship Program has the potential to continue to be an effective instrument to enhance the quality of the graduate enterprise in Ontario and to further the Government's objectives of achieving quality and excellence in the Ontario university system. A strong Ontario Graduate Scholarship Program can ensure the presence of a critical mass of excellent graduate students at Ontario universities. The encouragement, recognition, and reward of academic excellence are crucial to the growth and competitiveness of the provincial economy in an increasingly knowledge-based society. Council is convinced that the recommendations in this Memorandum will continue to help restore the status, importance, and effectiveness of the Ontario Graduate Scholarship Program.

Paul Fox  
Chairman

October 21, 1988



# **88-VII The Allocation of the 1988-89 Program Adjustments Envelope**

## **1.0 Introduction**

On May 2, 1988 the Minister of Colleges and Universities responded to Advisory Memorandum 87-XI, Criteria and Process for the Program Adjustments Envelope for 1988-89 and Beyond. In that Advisory Memorandum, Council outlined the objectives, eligible activities, eligible expenditures and approval process for the envelope.

In her May 2 letter, the Minister indicated that it was essential for the Minister to have an opportunity each year before the call for proposals to indicate critical needs that have been identified to Government as requiring new program support, and to indicate the relative priorities among objectives and eligible activities. She also indicated that in addition to the eligible activities justified by Council, the costs of developing proposals for new programs should be eligible for funding, provided the proposed program is in an area of critical need, and that while the list of eligible expenditures was not meant to be exhaustive, the announcement of any new categories of expense should be made only with prior concurrence of the Minister.

## **1.1 Priority for Eligible Activities**

On June 21, 1988 the Minister gave Council her priorities for the 1988-89 Program Adjustments Envelope:

Two principal priorities should guide the review process for the envelope in 1988-89:

1. Expansion or development of teaching programs to meet the needs of the Ontario health-care system, social service system, and public education system (specific examples would include: expansion of programs in rehabilitation sciences and teacher education);
2. Expansion or development of scientific or technical teaching programs to meet the requirements for Ontario's economic development (an example would include expansion of graduate engineering programs).

Two additional, but subordinate, priorities should also inform the review process:

3. Expansion or development of:
  - teaching programs which encourage co-operative, joint efforts among institutions to enhance the extension of programs to underserved regions or populations in the province; and
  - innovative modes of delivery of programs in areas of critical need,

such as part-time delivery of professional programs that traditionally have been offered only on a full-time basis;

4. reduction or contraction of enrolment in programs in response to specific requests of the Government of Ontario, such as the enrolment reduction in postgraduate medicine, which has been taking place.<sup>1</sup>

This priority list was not considered exhaustive. Worthy program adjustments in other areas of eligible activity identified by Council in Advisory Memorandum 87-XI were also to be reviewed on their merit. In addition to the Minister's priorities, the following activities were eligible for support for Program Adjustments Envelope funding in 1988-89:

- closures of programs and significant contractions in existing programs;
- major shifts in emphasis or capacity within programs;
- new or significantly expanded co-operative or joint inter-institutional programs;
- movement of program capacity from one institution to another; and
- development or commencement of programs which are eligible or become eligible for Government support and where the program is in an identified area of critical need.

Requests for program adjustments funding to undertake any of the eligible activities listed above were measured against the objectives listed below and Government priorities. Meeting one or more of these objectives areas was an a priori condition for funding eligibility.

## **1.2 Objectives for 1988-89**

The objectives for the 1988-89 Program Adjustments Envelope were to:

- enhance quality;
- encourage the rationalization or consolidation of program offerings;
- encourage institutional differentiation;
- provide institutions flexibility in making significant structural changes in their program offerings;
- facilitate adaptation to downward changes in funding corridors;
- encourage inter-institutional co-operation; and
- allow for shifting of underutilized resources to better locations.

These objectives were treated as having equal importance for 1988-89.

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1. Letter from the Honourable Lyn McLeod, Minister of Colleges and Universities, to Dr. Paul Fox, June 4, 1988.

### **1.3 Competitive Process**

Despite the short time-frame in which to conduct a competition, the Program Adjustments Envelope was allocated for 1988-89 on a competitive basis. Institutions were given a very short period of time to submit proposals for program adjustments funding. These proposals could be up to four years in duration. Institutions were required to submit as part of their program adjustments proposals for 1988-89 the following information:

- (a) Activities - A detailed description of the activity to be undertaken in a program adjustments project indicating the department or programs being supported.
- (b) Objectives - A detailed explanation of the objective which an individual project would attempt to fulfil and an indication of how this project would fit within the broad framework of the institution's future plans.
- (c) Priority - Each requested program adjustments project was required to be rank-ordered according to the institutional priority attached to each project, accompanied by an explanation of this priority ranking.
- (d) Expenditures - A detailed listing of the eligible expenditures to be incurred, how they related to the activity undertaken, as well as an indication of the expenditures to be funded by the institution and the amount requested for government support.
- (e) Schedule - An indication of the duration of the program and the schedule of expenditures, including a detailed listing of the expenditures to be undertaken in each year and the portion of these expenditures requiring Government support.

Council reviewed each of the submissions and recommended funding only the projects which it felt constituted "significant" program adjustments. Council did not recommend the funding of proposals for minor adjustments which it felt should be part of normal institutional change.

### **2.0 Review of the 1988-89 Program Adjustments Proposals**

Council received and reviewed proposals for 105 Program Adjustments projects. The total funds requested amounted to \$56.1 million over four years: \$18.4 million in 1988-89; \$14.9 million in 1989-90; \$12.8 million in 1990-91; and \$10.0 million in 1991-92.

Two significant problems arose in regard to this year's competition. First, there were few significant one-year proposals and second, the submitted costing of many of the projects required an increase in funding in future years. The latter was understandable since costs for the current year were diminished because more than half of the 1988-89 fiscal year has passed. However, both of these factors made it extremely difficult to ensure that there would be adequate funding available for new projects in 1989-90.

In reviewing these submissions, Council noted that there was great variation in the quality and detail of the documentation provided to support the arguments

for funding. This was particularly true of the cost information provided. Unfortunately, the compressed time-frame for review meant that Council had to rely on the documentation provided by the institutions and was unable to solicit supplementary information. In future competitions this should not be a problem since Council will have six months to review, evaluate and clarify proposals instead of the less than two months experienced this year. Council will also provide institutions greater details on the types of information which would be helpful for inclusion in future proposal prior to the next competition.

## **2.1 Review Procedure**

Council undertook a two-stage procedure to select the program adjustments to be funded and the level of funding to be provided. In the first stage projects were evaluated and ranked on the basis of the following four criteria and weighted in the manner indicated:

1. Conformity with the eligible activity list and with the priorities and objectives for 1988-89. (How well does the adjustment fit within the principal, subordinate, or additional priority list as well as overall objectives?) (35%)
2. Overall impact on the university system and society. (35%)
3. Institutional priority and financial resources. (15%)
4. Quality and detail of submission. (Does the adjustment build on strength by being linked to a program with a reputation for excellence? Does the adjustment affect a weak program or one where there is overcapacity? How many students will be affected? What are the research implications?) (15%)

In the second stage, the top-ranked projects' cost information was examined and evaluated. As noted above, in many instances inadequate information was provided or ineligible expenditures were included. Council dealt with these problems as fairly as possible. A fundamental issue which arose was the distinction between the costs of development and start-up for a program adjustment (the actual adjustment costs) and ongoing operating costs. Many projects included significant expenditures on what Council viewed as ongoing operating costs for years two, three and four of a project. In many instances it was difficult to identify this division. Consequently, Council had to make some across-the-board decisions on types and duration of expenditure it would recommend for funding. Areas where this occurred were the duration of support for instructional costs, support staff costs, and developmental costs; and exclusion or inclusion of overhead costs, travel costs, recruitment costs, promotional costs, miscellaneous costs, scholarships, and rental space.

Two special circumstances deserve comment. Council received three requests for funding of mandated enrolment reduction for medical interns and residents. These requests were clearly proposed to cover ongoing operating costs. Council recognizes that these costs are significant and funds must be found to support



the activity. However, it feels strongly that the short-term adjustment funding encompassed by the Program Adjustments should not be looked upon as a solution to long-term operating costs problems. Consequently, reflecting Council's concern that the institutions involved require support for this mandated adjustment in 1988-89, Council has recommended that 75% of the formula grants funding for these students be provided for one year only. Government and the institutions must come to terms with the long-term issue. Council also notes that within a corridor funding system, mandated enrolment reductions only reduce accessibility funding.

The other circumstance which may need elaboration is with respect to funding for programs which have not received funding approval but are required to have approval before the BIUs associated with the program are eligible for Government support. Council will only recommend program adjustment support for development costs and not for start-up costs of unapproved programs. Upon approval of the programs, institutions will be eligible to resubmit the project for consideration of start-up costs.

### 3.0 Recommended Projects

Table 1 outlines the projects Council recommends for support under the Program Adjustments Envelope and the funds to be provided for the duration of the adjustment. Where the amount recommended differs from the amount requested by the institution, Council confirmed with the institution that it is willing to undertake the adjustment with the funds provided. Some institutions attached conditions which they felt needed to be met before they could proceed with the project. Council has not dealt with these issues since most of the conditions identified are not within its purview. It has forwarded the information to the Minister under separate cover to allow Ministry officials to review this material.

Accordingly, Council *recommends to the Minister,*

*OCUA 88-19*

*DISTRIBUTION OF THE 1988-89 PROGRAM ADJUSTMENTS ENVELOPE*

*THAT*, the 1988-89 Program Adjustments Envelope be distributed for the projects and the amounts indicated in Table 1 and that carry-forward provisions identified be designated as the first projects to be funded in subsequent years.

Paul Fox  
Chairman

November 18, 1988

Table 1

## 1988-89 Program Adjustments Envelope Projects and Flow Funds (\$000)

University	Project	Funding Flow		1991-92	Total
		1988-89	1989-90		
CARLETON	Closure of the one year Bachelor of Journalism program and the expansion of the two year Master of Journalism program	182	57	55	294
	Establishment of a Guelph-Waterloo video, audio and data microwave link to facilitate joint activities in Physics and Chemistry at the graduate level	200	200		400
GUELPH	Introduction of a Biomedical Science Honours Degree	131	150		281
	Expansion of Hotel and Food Administration undergraduate program	164			164
LAKEHEAD	Expansion of the Teacher Education program	204	220		424
	Implementation of an Honours Bachelor of Social Work (Native Human Services)	90	169	59	484
ALGOMA	Early retirement buy-out to facilitate reduction in an area of low enrolment	106			106
McMASTER	Development of the Occupational Therapy and Physiotherapy Program being transferred from Mohawk College to McMaster	375	728	79	1,182

Table 1

**1988-89 Program Adjustments Envelope Projects and Flow Funds  
(\$000)**

<u>University</u>	<u>Project</u>	<u>1988-89</u>	<u>Funding Flow 1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>Total</u>
OTTAWA	The development and implementation of part-time options and innovative teaching strategies to permit diploma trained nurses to complete a baccalaureate degree in nursing	57	225	322	110	714
	The development and implementation of an internship option in the Manufacturing Engineering program	110	90	5		205
	Expansion and curricular changes in the five-year Engineering and Management program	51	34			85
	Adjustment for the loss of revenue resulting from the mandated reduction in the intern/resident component of the Faculty of Medicine	51				51
	Increased enrolment in the Faculty of Education	201	237	14	22	474
QUEEN'S	Upgrading equipment required for the B.A.Sc. in Computer Engineering	284				284
	The development and implementation of an exemplary program and research concentration in mathematics, science and technology teacher education	435	550	200	100	1,285
	Expansion of the Occupational Therapy and Physical Therapy programs	475	190	270	130	1,065

Table 1

1988-89 Program Adjustments Envelope Projects and Flow Funds  
(\$000)

<u>University</u>	<u>Project</u>	<u>1988-89</u>	<u>Funding Flow</u>		<u>Total</u>
			<u>1989-90</u>	<u>1990-91</u>	
TORONTO	Adjustment for the loss of revenue resulting from the mandated reduction in the intern/resident component of the Faculty of Medicine	574			574
	Reorganization of Technological Studies at the Faculty of Education	340	70		410
	Increased enrolment in the Occupational Therapy program	69			69
TRENT	Expansion of concurrent teacher education program. Student recruitment will focus on the sciences and mathematics.	49	246	62	357
WATERLOO	Establishment of a Guelph-Waterloo video, audio, and data microwave link to facilitate joint activities in Physics and Chemistry at the graduate level	200	200		400
	Closure of the regular undergraduate program in accounting in favour of the co-op format	76	65	43	184
WESTERN	Adjustment for the loss of revenue resulting from the mandated reduction in the intern/resident component of the Faculty of Medicine	25			25
	The development of a co-operative education option to train teachers of the French language	32	32		64



Table 1

**1988-89 Program Adjustments Envelope Projects and Flow Funds  
(\$000)**

<u>University</u>	<u>Project</u>	<u>1988-89</u>	<u>Funding Flow</u>		<u>Total</u>
			<u>1989-90</u>	<u>1990-91</u>	
	Expansion of program in Occupational Therapy, Audio/Speech Pathology and Physical Therapy	506	992	533	2,098
	Expansion of the graduate program in Engineering directed at engineers active in the profession and the development of a "Professional Engineering Year" program for undergraduates, integrating industrial involvement with formal classroom and laboratory study	357	258	178	881
	Expansion of the Teacher Education Program, Focusing on Early Childhood Education, French Immersion, Community College Instructors, Primary Education, and Technical Education	263	291		554
WINDSOR	Restructuring of the Faculty of Engineering including phasing out the undergraduate Chemical Engineering Program and replacing it with Environmental Engineering	169	71	76	391
	Expansion of the pre-service program in the Faculty of Education	196	298	312	842
YORK	Implementation of an off-campus pre-service Teacher Education program to be held in several locations	400	520	170	1,140

Table 1

1988-89 Program Adjustments Envelope Projects and Flow Funds  
(\$000)

<u>University</u>	<u>Project</u>	<u>Funding Flow</u>			<u>Total</u>
		<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	
RYERSON	Early retirements in Nursing, Urban and Regional Planning, Engineering, and Administrative Studies	272	210	144	774
	Early retirements in the Radio and Television Arts program and the Early Childhood Education program	136			136
OCA	A comprehensive reorganization, rationalization, and consolidation of program offerings, including early retirement incentives	135	432	399	1,267
OISE	Establishment of a centre for teacher development	85	336	309	806
TOTAL		7,000	6,871	3,282	18,470

## 88-VIII Mission, Programs, and Funding for Algoma College

On May 27, 1987 the Minister requested Council's advice on the future role and mission of Algoma College.

While noting that "the Government is committed to maintaining Algoma College as a vibrant and viable university-level institution," the Minister added,

I believe the College requires an appropriate mission which is responsive to the needs of Sault Ste. Marie and the surrounding community, builds upon the College's strengths, and reflects its relationship with Laurentian University. The College should also be assured of an appropriate level of support to ensure the achievement of such a mission.<sup>1</sup>

The Minister then specifically asked Council to advise him on the following matters:

- an appropriate mission for Algoma College, as outlined above;
- an appropriate range of programs and courses to be offered by Algoma, the demand for such programs and courses and their funding implications; and
- the capital and operating support which will be required to allow Algoma to pursue its mission.<sup>2</sup>

In its deliberations Council did not consider the merits of closing the college only because the Minister's commitment to maintaining Algoma College precluded this option. Nor did the Council consider a much closer structural integration of Algoma College with the operations of Sault Ste. Marie College of Applied Arts and Technology as the physical separation and different missions of the two institutions would appear to preclude that option.

Notwithstanding serious reservations on the part of Council about the limited terms of reference, the following advice has been developed within the specific terms of the Ministerial reference.

### 1.0 History

Algoma College has had a troubled history. The College experienced a difficult birth and has suffered many vicissitudes in its short life of less than twenty-five years. When the Government announced in 1959 that there would be

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1. Letter from the Honourable Gregory Sorbara, Minister of Colleges and Universities, to Mrs. Marnie Palkin, Chairman, May 27, 1987.

2. Ibid., p. 1.

two universities in Northern Ontario, the residents of Sault Ste. Marie were disappointed that it was not chosen as one of the sites. An Algoma Junior College Association was formed in 1960. Four years later the Algoma College Association was incorporated by Letters Patent issued under the Corporations Act of Ontario. The Association established Algoma College the following year as a non-sectarian institution affiliated with Laurentian University.

When it admitted its first students in 1967, the College was restricted to offering only the first-year of the Bachelor of Arts and Bachelor of Science programs to full-time students although it was permitted to give a full B.A. program for part-time students. In 1971, the College secured permission to offer a general three-year B.A. degree. Although the Ministry did not approve the funding of any science programs, the College continued to offer the first-year program. Four years later Laurentian University's Senate approved a new B.A. interdisciplinary program in Life Sciences and Environmental Studies at Algoma College but it was terminated after only one year when enrolment projections were not fulfilled.

In 1971, the College, which originally had been located on the same site as Cambrian (later Sault Ste. Marie) College of Applied Arts and Technology, decided to move to Shingwauk Hall, a former Anglican Church Indian residential school. The property, which was initially leased, was purchased four years later with major assistance from the provincial government. While still holding only a leasehold interest in the land, the College decided to construct a separate library building. Although this project was undertaken without the prior approval of the Ministry, the Ontario Universities Capital Aid Corporation subsequently authorized a loan to offset almost the entire cost of construction.

In 1974, the Board of Directors of the corporation created a Board of Governors of the College and appointed individuals to it. Although this move was without legal basis and contrary to the provisions of the Ontario Corporations Act, the Board of Directors delegated the management of the affairs of the College to the Board of Governors. The Board of Directors also contravened the statute by delegating power from time to time to its Executive Committee. Two years later when the Commissioner appointed to inquire into the affairs of Algoma College commented upon these improprieties and requested a change, the Board of Directors disbanded the Board of Governors and its own Executive Committee and resumed its supervision.<sup>3</sup>

Criticism of the organizational structure of the corporation and the College led the Board of Directors to employ a firm of management consultants to review the management, but the consultants' report was not acted upon. In 1976, following allegations made by members of the College and the community concerning the management of the institution, the Government appointed the Royal Commission of Inquiry, Algoma College (Whiteside Commission) to

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3. The Royal Commission of Inquiry, Algoma College, Reports, December, 1977.

investigate the charges. Continuing widespread discontent led to the certification of the faculty association as a bargaining agent for the academic staff. Meanwhile, the Board of Governors authorized the termination of the employment of two full-time professors, but then rescinded the terminations after a complaint had been made to the Ontario Labour Relations Board. When another professor lodged a complaint alleging discrimination in employment, the College was found to be in breach of the Ontario Human Rights code and was ordered to pay compensation.

At the same time, the administration was restive because the academic policies of the College were under the supervision of an Academic Council which was composed of an equal number of faculty and students and some administrators. Although the Academic Council had been established by the faculty without the formal approval of the Board of Directors, it was accorded some recognition by the Directors and College officials and performed certain duties and functions.

While in his report Commissioner Whiteside "found no evidence of misconduct, impropriety or bad faith on the part of any person connected with the college"<sup>4</sup>, he concluded that:

the evidence adduced at the public hearings clearly indicated the inadequacy of the organizational structure, general and academic, of the college and the corporation. Such an inadequacy contributed substantially to the breakdown of communications, lack of adequate financial and program analysis and planning and other problems with which the college has been faced. The organization, as presently constituted, is wholly incapable of dealing quickly and responsively with the financial, administrative and academic problems which now threaten the continued existence of the college.<sup>5</sup>

Since the College also faced a projected operating deficit of \$219,000 in 1976-77 and continuing annual deficits in the order of \$200,000 per annum if current plans were maintained, the Commissioner recommended in his first report a trusteeship, and then in his final report, after the trusteeship had been in effect for a year, the closing of the College.

The Government did not accept the latter recommendation. Instead, it gave the College and the local community five years to prove the College's viability and arranged for a supplementary grant of \$100,000 a year to be allocated to Algoma by the Ministry of Northern Affairs. When the grant expired in 1982-83, there was no review of the College's future viability.

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4. Ibid., p. 6.

5. Ibid., pp. 19-20.



In 1981, a consultant to Council recommended that a single, multi-campus university for Northeastern Ontario be created by amalgamating Laurentian University and its three affiliated colleges of Algoma, Nipissing, and Hearst.<sup>6</sup> Acting on Council's endorsement of the Bourns report, the Government accepted the recommendation and appointed a committee chaired by Dr. H.C. Parrott to propose a structure for the new institution. The committee published a report<sup>7</sup> but the Government did not act upon it, referring the matter instead to the Commission on the Future Development of the Universities of Ontario (Bovey Commission) which was appointed in that year.

The Bovey Commission issued several reports, but it did not accept or reject the original proposal for a University of Northeastern Ontario. Instead, it recommended the establishment of a Committee on Northeastern Ontario which would advise the Minister in regard to the allocation of any special funding available.<sup>8</sup>

At the end of 1982-83 Algoma College had an accumulated deficit of \$284,105. By the end of 1984-85 the deficit had grown to almost \$800,000 and the College's bank would not continue to increase overdraft provisions without a guarantee from the province. A small team appointed by the Ministry of Colleges and Universities to investigate the situation found that although the Board of Directors had approved a budget leading to a deficit of about \$200,000 in 1985-86, the in-year deficit would be in fact in excess of \$600,000. This would increase the College's cumulative deficit to about \$1.4 million while annual revenues were approximately \$2.5 million.

The investigators also examined a development plan which the College had prepared. The plan called for capital assistance of more than \$12 million to provide the facilities, courses, and programs required for a prospective enrolment of 800 full-time equivalent (FTE) students. The team concluded that the development plan was faulty because it was overly optimistic in forecasting enrolments and its financial calculations were based on erroneous assumptions about the way the university operating grants formula functioned, in particular ignoring the heavy discounting of enrolment growth. In the investigators' opinion, the development plan would not have produced a balanced budget but would have led to an increased deficit.

The Government decided to provide sufficient funds to keep the College functioning but it laid down certain conditions. Algoma was required to accept

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6. A.N. Bourns, A Proposal for Structural Change in the University System of Northeastern Ontario, October 19, 1981.
  7. Committee on University Education in Northeastern Ontario, Report, Toronto: Ministry of Colleges and Universities, Ontario, October 1983.
  8. Commission on the Future Development of the Universities of Ontario, Ontario Universities: Options and Futures, 1984, p. 43.

two Ministry nominees on the College's Board of Trustees, to submit its annual budget and monthly financial statements to the Ministry for approval, and to secure Ministry consent before incurring any additional liabilities, hiring any additional faculty or staff, or introducing any new academic programs or courses. Algoma also was to undertake a review of the effectiveness of its senior management.

In February 1986, Algoma in company with Hearst and Nipissing, entered into a renegotiated affiliation agreement with Laurentian University. The purpose was to eliminate some of the difficulties, impediments, and misunderstandings in the working relationships between the colleges and the university. It was believed that the new agreement, which was the first major revision of the original structure of affiliation, heralded "a new era of synergy in the Laurentian system"<sup>9</sup>, and the four institutional heads pledged their support by submitting a regional mission statement jointly to the Minister.<sup>10</sup>

Later in the same year Algoma College also submitted to the Minister a new mission statement of its own in response to his request.<sup>11</sup> The statement said the College would offer a broad range of programs, including five four-year programs given in the co-operative mode and leading to five different baccalaureate degrees. Additional programs would lead to three-year degrees, one-year diplomas, and some brokered and co-operative post-graduate degrees. To accommodate these increased activities, an accompanying report by an architectural consulting firm proposed a phased expansion in the College's physical facilities. It was estimated that the total capital and operating costs of these new developments would amount to \$13,040,000 (in 1986-87 dollars) in 1992.<sup>12</sup>

Since 1986 when the Government entered into its current agreement with the College, the Ministry has provided substantial grants in addition to regular funding to cover the costs that Algoma was incurring. The Ministry of Colleges and Universities allocated supplementary operating funds of \$400,000 in 1985-86, \$500,000 in 1986-87, \$700,000 in 1987-88 and \$732,000 in 1988-89. It also granted Algoma \$1.0 million in 1987 to eliminate almost all of the College's cumulative deficit. In the same year it allocated a further \$3.51 million to the College to cover the cost of renovations and to pay for the design and construction of a new library.

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9. The Mission of the Laurentian University System and the Development of Northeastern Ontario, p. 8.

10. Letter from Mr. Gerald Nori, Chair of Board, Algoma College, and Dr. Patrick Wesley, President, Algoma College, to the Honourable Gregory Sorbara, Minister of Colleges and Universities, October 29, 1986.

11. Algoma University College Mission Statement, October 16, 1986.

12. Ibid.

As required by the Ministry, Algoma has placed the proceeds from its Sanders' endowment fund, amounting to about \$400,000, in its operating accounts. However, the College retains some property and possessions, valued at approximately \$180,000, in a foundation which has a separate charter. It is the source of scholarship funds.

Currently, the College has another significant unresolved financial obligation. In 1984, Algoma purchased from the local Anglican Diocese 3.5 acres of land situated at the south-east corner of the campus. The College paid \$50,000 down and acquired a three-year mortgage for \$175,000 at an interest rate of 12% per annum, with no principal or interest payments due until maturity. Algoma College has not made any payments and now owes more than \$250,000 on the transaction. The value and potential sale of the land are compromised by a native land claim.

Council believes that this sober history must be borne in mind during any critical examination of the College's current situation and future prospects. While historically Algoma, as a very small institution, has had great difficulty in operating viably on funding systems better suited to larger institutions, the College has not helped itself by many of its actions. The record suggests Algoma has a predilection for running up deficits, despite repeated instructions to the contrary. However, each time it has been bailed out after the fact. Algoma's history has also been characterized by recurrent excessive enthusiasm and optimism, by divisiveness, and by unauthorized actions.

In 1987, a new President was appointed who has developed plans for increasing enrolments, expanding academic programs, adding faculty and staff, improving facilities, enlarging the Board of Trustees, and achieving independent university status for Algoma. Although new leadership is now in place, Council is convinced that it is essential to recognize past weaknesses so that they are not repeated in future. Somehow this cycle of unsustainable optimism and forgivable debt must be broken if Algoma College is to become an asset rather than a liability to the system as a whole. Council is also persuaded that, after 25 years of perturbation, it is in the interest of all concerned that the future role and mission of Algoma College be settled definitively now.

## **2.0 Mission**

Council notes that a wide spectrum of missions for Algoma College have been proposed. Some faculty members have expressed a desire to create a small liberal arts college of the traditional kind, having strength in each of the humanities, social sciences, and sciences. Such a college might become a "Trent University of the North", attracting students from Southern Ontario and beyond as well as from Northern Ontario. Others believe Algoma might be an international university with links to Lake Superior State University in Sault Ste. Marie, Michigan. Others see Algoma as a local institution, serving its own city and region by providing residents with an opportunity for university education. Some believe



the College should have a special function, for instance, to promote the post-secondary education of native students, or to offer academic courses needed in the region, such as business, or programs especially suited to the region, such as tourism or environmental science. Some expressions of mission, such as the College's Statement of Mission in 1986, include all of these goals.<sup>13</sup>

In Council's opinion this lack of focus in the mission of the College has been detrimental to the advancement of Algoma. It confused the public and distracted the members of the College. No doubt, the multiplicity of views reflects legitimate differences in opinions and interests among faculty members and others, but the College must end the confusion and dissipating energies and resources by settling on a goal.

Council believes that the goal for the institution should be simple and clear. It also believes that the previous Minister enunciated an appropriate goal when he stated in his letter which referred the subject of Algoma College to Council:

I believe the College requires an appropriate mission which is responsive to the needs of Sault Ste. Marie and the surrounding community, builds upon the College's strengths, and reflects its relationship with Laurentian University.<sup>14</sup>

Council endorses this view. The mission of Algoma College should be oriented toward the educational, social, cultural, and economic development of Sault Ste. Marie and the surrounding community. Algoma should be a university institution which is "of" and "for the North", not just "in the North". An Ontario Economic Council study stated the point well when the author remarked:

Many of the problems now encountered in the north originated in the simple adoption for the north of institutional and other structures which had evolved or were developed to meet quite different situations in southern Ontario. . . .

Northern universities and colleges must not be merely northern extensions of a province-wide system of post-secondary education. The logic of that role would lead inevitably to province-wide rationalization of the post-secondary system and, because of higher costs and other locational disadvantages, a rationalized system would not necessarily leave much to be done in the north. Post-secondary education in the north can and should be much more than the poor cousin of a southern policy. To be more than this, however, requires more than additional resources. It requires a responsiveness to northern needs and an

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13. *Ibid.* pp. 1-18.

14. Letter from the Honourable Gregory Sorbara, Minister of Colleges and Universities, to Mrs. Marnie Paikin, Chairman, May 27, 1987.

entrepreneurial approach to northern opportunities.<sup>15</sup>

The College was created to serve local needs and Algoma should continue to meet them.

Algoma has strong roots in the local and native community and is noted for serving its students well and its mission would be one that "builds upon the College's strengths". Approximately 85% of the institution's full-time students come from Sault Ste. Marie. It is estimated that 91% of the student body on an FTE basis comes from the local area if part-time students are included.<sup>16</sup> Moreover, one-tenth of the College's students are drawn from the native population in the region. This link with the native community is reinforced by Algoma's location in Shingwauk Hall, the historic, former Indian residential school. By concentrating on such students and by remaining relatively small in consequence, the College can build on its well-earned reputation as an institution which assists its students by giving them more than usual personal attention.

The mission of Algoma College in co-operation with Laurentian University and other institutions can be specifically defined as follows:

- to seek and disseminate knowledge that is particularly beneficial to the North;
- to identify the needs of the region for basic university undergraduate programs and respond to these needs as far as possible;
- to provide undergraduate courses which are particularly beneficial to the North; and
- to encourage more people in the North to pursue undergraduate university studies;
- to enhance access to university-level education by native people;
- to identify and meet the special needs of adult learners and those embarking on a career change or re-entering the world of work;
- to enhance the cultural life of Sault Ste. Marie and the surrounding community;
- to make available to the local community its library and access to other sources of information, such as electronic databanks; and
- to assist the development of local enterprise.

In recommending that Algoma College should continue to make service to the local community its primary mission, and not being diverted by other objectives, such as becoming a college attracting students from Southern Ontario or elsewhere, Council strongly believes that the College's academic resources and programs must continue to be of the highest quality possible. The College must

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15. Ontario Economic Council, The Northern Dilemma: Public Policy and Post-Secondary Education in Northern Ontario, Toronto: 1978, pp. 129 and 143.

16. A Business Plan for Algoma University College's New Mission, Toronto, October, 1986, p. 2.



work with Laurentian University to ensure that the degree programs offered are sensitive to local needs and academically sound. A spirit of co-operation must be fostered between Laurentian and Algoma at all levels. Algoma should also be encouraged to co-operate with and not compete with Lake Superior State University and Sault College in building joint services to meet the needs of the region. In sum, Algoma should strive to provide university level programs and services locally in co-operation with Laurentian University, other Ontario universities, and other post-secondary institutions in the area. By doing this and by virtue of being an institution in the North, Council hopes Algoma will be able to encourage students to stay in the North upon graduation and contribute to its continuing development, prosperity, welfare and advancement.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-20*

**MISSION OF ALGOMA COLLEGE**

*THAT*, the mission of Algoma College be that it serve the needs of Sault Ste. Marie and the surrounding region in the manner indicated above.

### **3.0 Relationship with Laurentian University**

Algoma College has been affiliated with Laurentian University since its incorporation in 1965. The degrees for which its students qualify are awarded by Laurentian University. Its academic programs and individual courses of study are subject to approval by Laurentian's Senate but the College has full power to appoint its own faculty and to manage its own finances.

College members have argued that Algoma's academic dependence on the Laurentian Senate has led to hardship and restrictions on the College's development. It is argued that the 360 kilometres which separate Sault Ste. Marie from Sudbury make it difficult, tedious, and inconvenient for College members to seek Senate approval of courses and programs. Although the introduction of teleconferencing may have alleviated some of these difficulties, some members of the College still chafe under the limitations and seek independence from Laurentian. This has taken the form recently of a recrudescence of a proposal for a charter which would establish the College as an autonomous, degree-granting institution.

Council strongly believes that Algoma College should not become an independent publicly-funded university. Algoma could not offer the range of programs, faculties, facilities and related infrastructure normally associated with university status. Nor will any credible prospective growth provide a basis for sufficient program breadth to justify university status. University status requires a wide range of program offerings, balanced distribution amongst programs, and a critical mass of teaching faculty and research scholars. A degree from an

institution without these characteristics is not as likely to be accepted by the knowledgeable public as a degree from full-service institutions.

For these reasons Council recommends that the present affiliated relationship between Algoma and Laurentian be continued. This relationship was revised and renewed by all its members as recently as two years ago. Council believes that the new agreement should be given an opportunity to operate. However, recognizing that inevitably there will be difficulties in the relationships between two institutions which are working together but separated by a considerable distance, Council recommends that every effort be made to continue to improve cooperation between the College and the University. Laurentian might wish to consider, for example, creating special organizational arrangements within its Senate, such as a special committee, to facilitate the review of affiliates' programs and courses without undue delay and inconvenience.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-21*

*RELATIONSHIP WITH LAURENTIAN UNIVERSITY*

*THAT*, the present affiliation agreement between Algoma College and Laurentian University be continued.

## **4.0 Existing Academic Profile**

### **4.1 Program Offerings**

At present Algoma College offers a number of programs and courses leading to degrees awarded by Laurentian University. Algoma offers a three-year Bachelor of Arts program as well as some of the courses necessary for a four-year Bachelor of Arts degree. The College also offers some other courses necessary for a Bachelor of Science, a Bachelor of Liberal Sciences, Honours Bachelor of Commerce, and Bachelor of Social Work (Honours) degrees. With the exception of the B.A. (General) program and the four-year specialized programs in English and Psychology, students complete one, two, or three years of their academic programs at Algoma and then transfer to Laurentian to complete their degrees.

Within these programs the College offers a broad and extensive selection of courses. Grouped by division, they are as follows:

- Humanities: English, Film, Francais, French, Italian, Music, Native Studies, Philosophy, Religious Studies, Spanish, Theatre Arts, and Visual Arts;
- Social Sciences: Anthropology, Economics, Geography, History, Law and Justice, Political Science, Psychology, and Sociology;
- Sciences: Astronomy, Biology, Chemistry, Computer Science, Geology, Mathematics, and Physics;

- Professional and Quasi-Professional: Accounting, Commerce and Social Work.<sup>17</sup>

#### 4.2 Instructional Activity and Human Resources

The enrolment and faculty complement by discipline for the year 1986-87 are given in Table 1.

Table 2 indicates that the trend in overall enrolment at Algoma College has fluctuated markedly through the years. Commencing with 594.1 FTE students in 1974-75 (the first year for which data are available), Algoma College experienced a steady decline in FTE enrolment until 1981-82 when it stood at 347.6. Since that time, the total FTE enrolment generally increased but have never returned to their mid-1970's levels.

Table 3 indicates that to carry out the types of teaching responsibilities indicated in Table 1, Algoma College employed 71.0 full-time faculty and staff in 1988-89.

#### 4.3 Prospective Enrolments

Council has found it difficult to evaluate enrolment forecasts. In the past many optimistic predictions have not been fulfilled. Algoma's administration believes that for the next five years part-time enrolments will remain steady at about 200 FTE but that full-time enrolment can be increased from 297 in 1987-88 to 802 by 1992-93 by adding an average of 50 first-year students per year. The total complement, would therefore be 1002 FTE students in 1992-93.<sup>18</sup> Similarly, a consultant engaged by Council has provided overly optimistic enrolment projections which are not acceptable to Council.<sup>19</sup>

Algoma's projections of part time enrolment have already been met. In 1987-88, 251.7 FTE students were enrolled in Algoma College programs, a number which has declined somewhat to an estimated 231.2 in the current year, 1988-89. However, there are reasons to doubt the optimistic projections of full-time student enrolment. Algoma makes its predictions on the assumption of an average increase of 50 full-time students per year in the intake into first-year. This is questionable for the following reasons.

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17. Algoma College, Calendar, 1987-88.

18. Letter from J.D. Lawson, President, Algoma College, to T.A. Brzustowski, Deputy Minister, Colleges and Universities, June 23, 1988.

19. P. Meinke. Whither Algoma, A Study of the Mission, Programs, Courses and Capital and Operating Support of Algoma College, A report for the Ontario Council on University Affairs, 1987.

Table 1

**Algoma College Faculty and Teaching Activity:  
1986-87 Academic Year**

Department	FTE Faculty	Part-time <sup>1</sup> Sessionals	Courses Offered	Course Regis- trations	Average Class Size
Accounting/ Commerce	2.0	7.5	14.5	309.5	21.3
Biology	1.0	2.0	4.0	50.5	12.6
Computer Sciences	2.0	5.5	11.0	188.0	17.1
Economics	1.0	5.0	8.0	127.5	15.9
English	1.7	6.0	11.0	217.0	19.7
Film/Theatre/ Visual Arts	0.3	2.0	3.0	46.0	15.3
Geography	2.0	0.0	4.0	34.0	8.5
History	2.0	0.0	6.0	69.0	11.5
Mathematics/Physics	2.0	1.0	7.0	65.5	9.4
Modern Languages					
French	1.0	3.0	6.0	74.5	12.4
Italian	0.7	0.0	2.0	18.0	9.0
Spanish	0.3	0.0	1.0	6.0	6.0
Music	1.0	2.0	5.0	72.0	14.4
Philosophy	1.0	1.0	4.0	65.5	16.4
Political Science	2.0	1.0	7.0	105.0	15.0
Psychology	3.3	4.0	14.0	441.0	31.5
Sociology/ Anthropology	2.0	5.0	11.0	238.0	21.6
Social Welfare	0.0	3.0	3.0	98.5	32.8
Other Sciences	0.0	1.0	1.0	10.5	10.5
Other	0.0	1.0	1.0	24.0	24.0
<b>TOTAL</b>	<b>25.3</b>	<b>50.0</b>	<b>123.5</b>	<b>2,260.0</b>	<b>18.3</b>

Note: 1. Number of courses taught by sessional faculty or on a overload basis.

Source: Algoma College



Table 2

**Algoma College FTE Enrolments and Basic Income Units (BIUs):  
1974-75 to 1988-89**

Year	Total Enrolment	Total BIUs
1974-75	594.10	594.10
1975-76	544.00	544.00
1976-77	494.90	494.90
1977-78	464.00	474.05
1978-79	436.00	447.25
1979-80	358.20	370.40
1980-81	353.40	376.35
1981-82	347.60	406.15
1982-83	378.40	433.95
1983-84	443.55	505.63
1984-85	438.20	495.63
1985-86	476.50	556.35
1986-87	450.20	534.55
1987-88	492.40	574.43
1988-89*	493.40	575.03

\* Preliminary estimates only

Note: Enrolment and BIU figures include psuedo-campus enrolment. See Advisory Memorandum 86-V for a complete description of this funding relationship.

Source: Algoma College

The possibilities for increased enrolment depend in the main upon the size of the 18-24 year old cohort in the area from which Algoma draws most of its students, their participation rate in university attendance, and the proportion of them who choose to enrol at Algoma. Since, as noted previously, 85% of the College's full-time students come from Sault Ste. Marie, the number of 18 to 24 year old individuals in the Sault region forms the basis for forecasting the bulk of Algoma's potential enrolments. The auguries for this group are not promising since the 18 to 24 year old cohort in the Algoma region is declining at a greater rate than in the province as a whole. While it is estimated there were 18,558 individuals in the 18-24 year old cohort in the Algoma region in 1987, it is projected by competent authorities that this number will decline in the future to about 16,700. The participation rate of this group is low. In 1987-88, approximately 10.0% of the 18 to 24 year old cohort in the Algoma district was enrolled as full-time undergraduates in Ontario universities compared to a

provincial average of 14.2%. Finally, the College has attracted rather small proportions of the students from the Algoma district and Sault Ste. Marie who have become full-time undergraduates. This figure was about 20% for the city of Sault Ste. Marie and only 16.8% for the Algoma district as a whole in 1985. By way of contrast, in the same year Laurentian University attracted 54.9% of the full-time undergraduates from the Sudbury district while Lakehead University drew 72% from the Thunder Bay district.

In view of these factors, Council believes the enrolment forecasts which have been made by Algoma College are too optimistic. Calculations show that even if the participation rate of the 18 to 24 year old cohort in the Algoma district were to rise to the provincial average (from 10.0% to 14.2%) and the proportion of students attending Algoma increased from 16.8% to 20%, the College's full-time enrolment would only be about 440 students. To this number might be added 250 part-time students. This results in a student body in the 700 FTE range.

Council is doubtful of the realism of the College's projected enrolment and believes that planning at this time should be based on a smaller number. Council is mindful of past errors and the difficulties in the past caused by over optimistic projections.

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Table 3

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**Algoma College Full-time Faculty and Staff: 1988-89**

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Classification	Number of Employees
Administration	14
Library	12
Academic	29
Student Services	4
Physical Plant	7
Ancillary Services	5
Total	71

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Source: Algoma College

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## **5.0 Appropriate Programs**

### **5.1 Arts and Science Programs**

Council believes that Algoma College should continue to offer the three-year programs in core Arts and Science which it now provides. A minimum complement of two faculty members is required in a discipline to provide a three-year program. Since Algoma has sufficient resources and there seems to be adequate demand, the College should continue to offer three-year concentrations in the following disciplines: Accounting, Computer Science, Economics, English, Geography, History, Modern languages, Political Science, Psychology, and Sociology.

The College should resist pressures to move from three-year programs to four-year specializations. The latter require at least four faculty members in a discipline to mount a satisfactory complement of courses, and the cost of the additions is not warranted until the College has demonstrated clearly that it can attract enough students to ensure their viability. At the moment Algoma offers four-year programs only in English and Psychology. While the latter has sufficient faculty resources and student demand to warrant its continuation, it may not be advisable to maintain the four-year program in English at Algoma because it would require the addition of a fourth faculty member. Moreover, Laurentian University has the ability to take more students in this field since its class sizes are small.

Council believes that in the interests of bringing expenses closer into line with likely income, Algoma College should phase out peripheral offerings, focus upon the liberal arts, social sciences, and business courses appropriate to its Northern mission, and mount additional course offerings on a strict cost recovery basis only. The College should not offer courses in Music, Theatre Arts, Film and Visual Arts unless it is able to finance them from the fee and any incremental grant income which may be generated by enrolments in these courses. No full-time faculty are currently employed to teach in these fields and the demand for courses in these areas is not strong. Council also thinks it would be advisable for Algoma to continue restricting science courses to first-year because of the cost of extending them.

### **5.2 New Programs**

There have been many suggestions for the addition of new courses and programs at Algoma. The College believes that it is necessary to enlarge its offerings in order to attract the desired number of additional students. The difficulty is that it is expensive to provide the resources required. It is estimated that the average cost of the salary and benefits of a faculty member at Algoma is in excess of \$50,000 per annum. In addition, there are the costs of providing office accommodation for faculty and support staff and adding classrooms and other facilities.

Council has considered the matter of new programs carefully because on occasion, in the past, the College has expanded its offerings and incurred costs which exceeded its revenues. In reviewing recent proposals for new programs, Council believes some appeared feasible but recommends against others which do not seem viable in light of the cost or demand for them. Council believes that it is advisable to move cautiously in introducing new programs, phasing them in step by step as finances and enrolments warrant.

Council firmly believes that the College should not expect to receive additional government grants to mount such programs. The additional staff needed might be provided by replacements for current faculty members who are retiring in the near future. Alternatively, a share of the cost of \$200,000 or more for four new faculty members might be met by Algoma's use of its share of the existing supplementary Northern Ontario grants or the special Northern Ontario grants which have been inaugurated recently. In 1988-89 Algoma will receive \$299,000 in the first category and \$133,000 in the second. In 1989-90 it is estimated that the College will receive approximately \$311,000 in Northern Ontario grant and \$138,000 in special Northern Ontario grant. Since the latter grant, in particular, is meant to provide for new initiatives "for the North", it would be an appropriate use for it.

Council is of the opinion that one of the programs which displays promise is the Applied Studies Cooperative program. It would build on Algoma's strengths and interests in the liberal arts, and it would provide a broad, integrative general education that many faculty members at Algoma espouse. It also could provide students with the skills appropriate to a wide range of careers. In addition, there appears to be an opportunity to introduce the cooperative mode of university education to Northern Ontario. There is an important caveat, however, the College must find ways to fund this program out of existing Government grants or through cost recovery.

The other program which has promise is a Bachelor of Business Administration program. Algoma has at present significant enrolments in Commerce and Accounting which probably will create a reasonable demand for the B.B.A. This proposed program is popular in the North and the teaching and research involved in the program could benefit the region, for instance, by helping small businesses and by providing an opportunity for the native population to develop business experience. Council thinks that the first two years of the present Commerce program and the three-year general B.A. program in Accounting should be continued while the success of the B.B.A. program is being tested. No additional staff would be required to maintain the two years of Commerce and the full B.B.A. program since sessional staff are available locally, although eventually it may be advisable to add two faculty positions for the B.B.A. program. Again, fiscal prudence will be required and a plan for financing the program developed. Until such time that Algoma can convince Council it can sustain a higher corridor level, additional funding for new program initiatives will not be forthcoming.



Council does not recommend the introduction of some other proposed programs. A Bachelor of Environmental Science Studies would be too expensive to mount since it would require three additional faculty, support staff such as technicians, and laboratory space. It has been tried unsuccessfully previously, and a similar environmental studies program is already available at nearby Lake Superior State University. A proposed four-year Bachelor of Arts program in Social Work or Bachelor of Social Services would meet a need in the North but it would be costly to mount because it would require at least two additional faculty members. There is also some question of whether graduates of such a program would receive professional accreditation. A Nursing degree program would also be expensive, and such a program is available at Lake Superior State University and by extension from Laurentian University. A Bachelor of Science in Computing Science or Bachelor of Information Science would require two additional faculty to extend the present program to four years. The cost would not be warranted since it is unlikely there would be sufficient students.

### **5.3 Distance Education**

Since distance education is expensive to provide and there is some possibility of unnecessary duplication in efforts between Algoma and Laurentian University in particular, Council recommends that Algoma should cooperate with Laurentian University, and also with Lakehead University, in providing distance education programs.

### **5.4 Cooperation with Other Institutions**

Council believes that Algoma should make every effort to cooperate and share with neighbouring post-secondary institutions in offering academic programs. Algoma now shares in providing instruction in an M.B.A. program offered by Lake Superior State University. There is also a prospect for Algoma to develop a childhood education program and a business program in conjunction with the Sault Ste. Marie College of Applied Arts and Technology. Investigation of such possibilities should be pursued but undertaken only with fiscal prudence.

### **5.5 Program Approval**

Under the circumstances outlined above Council recommends that Algoma should not undertake any new programs without prior approval from Laurentian University and the Minister on the recommendation of Council. Such new programs include core Arts and Science programs not normally requiring funding approval. Council does not believe that program expansion is the solution to Algoma's enrolment problems. Information gathered during this review would suggest that new programs frequently displace students from existing programs. Therefore adding programs may not necessarily increase total enrolment. Approval of new programs will require clear evidence of financial viability including a financial plan.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-22*

**APPROPRIATE ACADEMIC PROGRAMS FOR ALGOMA COLLEGE**

*THAT*, the academic programs to be pursued at Algoma College fall within the parameters and conditions outlined in this memorandum, and that all new programs be required to receive approval by the Minister on the recommendation of Council. Furthermore, no additional Government financial support should be provided for new programs beyond normal grant provisions until such time as the College can demonstrate ability to sustain a higher corridor.

**6.0 Current Funding Needs**

To meet its recent deficits on operating account, Algoma has received from the Ministry of Colleges and Universities the following amounts: \$400,000 for 1985-86, \$500,000 for 1986-87, and \$700,000 for 1987-88. In addition, the College received a further \$1.0 million in 1987 to reduce its cumulative deficit to almost zero. The Ministry also allocated \$3.5 million in capital funds in 1987-88 to provide for renovations and the design and construction of a new library.

For the most recent complete fiscal year, 1987-88, the College expended \$4,117,000 and received \$4,054,000, including the supplementary grant of \$700,000 from the Ministry in operating funds, leaving the College with a current year operating deficit of \$69,043. Its cumulative operating fund deficit was \$104,000 as of April 30, 1988.<sup>20</sup> Council is gratified to note that Algoma has applied to the Program Adjustment Envelope for a grant which would contribute to ongoing deficit reduction. Such efforts should be encouraged.

For 1988-89, the College has asked the Ministry for a supplementary grant of \$948,000, of which \$515,000 is designated as "equity funding" and \$433,000 as compensation for the diseconomies of small scale. Pending the completion of Council's review the Ministry provided \$732,000. With this supplementary grant the College projects at a minimum it will incur a current year deficit of \$70,000 by the end of the 1988-89 fiscal year.

The College uses the term "equity funding" to describe what it believes it should receive to compensate for a program mix which in its view is inappropriately weighted. It argues that Algoma should receive an average BIU weighting of 1.44, the average weight which Lakehead and Laurentian universities and Nipissing College receive, and further that the marginal costs of educating a student at Algoma are similar to those for the other three institutions. The College also believes that the grant for diseconomies of small scale can be reduced progressively to zero as enrolments increase to Algoma's predicted goal of 1,000

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20. Committee of Finance Officers - Universities of Ontario, Financial Report of Ontario Universities 1987-88, Volume 1, p. 87.

FTE in five years.

Council is not in favour of altering the weighting system as Algoma proposes for two reasons. First, the current weighting for Algoma reflects its program mix. It is not appropriate for Algoma College with its mix of programs and costs to receive an average BIU weight similar to institutions supporting other programs such as engineering and science programs. Second, special funding should not be hidden in a base budget, but rather in the interests of public accountability it should be readily identifiable as extraordinary funding.

Council recognizes, however, that with its present number of students the College has difficulty in maintaining its financial viability on the present system of formula funding. Council strongly believes that Algoma College should not expect to receive additional funds without consolidating its program offerings and reducing deficit causing expenses. Increased control over overhead expenditures and hiring on the one hand and productivity improvements on the other are the most likely methods of bringing income and expenditures more closely into line. For example, faculty teaching loads might be adjusted to improve financial viability. Every dollar of the supplementary grants made to Algoma College comes out of the total base funding for the system as a whole, where it might be more effectively spent.

As indicated above, if the College is able to convince Council of prospective enrolment improvements, then Council would entertain an argument for an appropriate corridor adjustment. This mission statement allows for the possibility of growth and development in the future. But henceforth expenditure growth will require prior approval and costs must be controlled in such a way as to preclude deficits jeopardizing basic objectives.

### **6.1 Extraordinary Funding**

Council believes that Algoma College should receive an Extraordinary Funding grant. This grant may or may not be a permanent or ongoing grant. Unlike a Differentiation grant, it does not reflect a view that there is a specific differentiated institutional role which requires ongoing financial support beyond other sources of revenue. Northern grants and Special Northern grants are in place to meet this objective for Algoma. Nevertheless, there are similarities to Differentiation grants in that the institution must meet a number of conditions in order to receive continued extraordinary support.

Council is of the opinion that Algoma College's Extraordinary Funding grant should be calculated on the basis of the fixed costs of its present operation and that it should be subject to certain conditions. Council recommends that five basic conditions must be met by Algoma College for the continuation of this grant. First, the College must accept the mission outlined in this memorandum. Second, the academic program plans outlined above must be followed. The course consolidation must proceed immediately. All new program offerings must be approved by the Minister on the recommendation of Council and must not require



additional extraordinary funding. New peripheral course offerings must be undertaken only on a cost-recovery basis. Third, the College must develop a plan for the reduction of the accumulated operating deficit to achieve its elimination by 1992-93. This plan must include, at a minimum, a balanced current-year operating budget in 1989-90. Fourth, the College must continue its affiliation with Laurentian University. Fifth, the College finances are to be supervised by Laurentian University until such time as the College's accumulated operating deficit is eliminated.

#### **6.1.1 Grant Level**

A consultant retained by Council to report on Algoma College estimated that even were the College to reduce its offerings to the mission related core programs identified above, there would likely continue to be a significant annual operating fund deficit. Formula grants, fees, Northern and Special Northern grants would not be enough to cover minimum expenditures. It has been impossible to place a precise figure on what might be thought of as the Algoma "structural deficit"; estimates range as high as \$1 million annually, or something in the order of 25% of the operating budget. Algoma College itself estimates the minimum revenue requirement of \$4.5 million to operate an enrolment level of 490 FTE students. Formula and envelope income on the other hand would only produce \$3.715 million in 1988-89 dollars.

As noted above, it must be born in mind that out of \$3.715 million in normal operating grant sources Algoma College receives approximately \$300,000 in Northern, and \$130,000 in Special Northern Grants over and above formula grants. These funds are to support Algoma's Northern mission and to compensate it for diseconomies of scale and ancillary costs related to its Northern location. An Extraordinary Funding grant would in effect be a premium paid on top of these current supplementary subventions. As these funds must be drawn from the base allocation of the system as a whole, the question "how much is reasonable to maintain a small liberal arts college in Sault Ste. Marie" must be laid alongside the question "how much does Algoma need?"

Council has reviewed Algoma's current financial situation and identified the level of Extraordinary Funding grant it is prepared to recommend under the conditions outlined above. In doing so, Council must emphasize that it fully expects Algoma to make the expenditure reductions necessary to live within its means. The provision of a Extraordinary Funding grant recognizes the current "structural deficit" Algoma experiences under the operating grants formula. It is not and should not be set at a level beyond minimum needs. Therefore, for 1989-90 Council will be recommending in its advice on the allocation of Government operating grants that a discretionary Extraordinary Funding grant of \$760,000 be provided to Algoma College.

Council plans to continue its review of Algoma College finances during 1989-90 to determine the minimum size of ongoing structural imbalance between



expenditures and normal sources of income. Council will review data from this study before making its recommendation for an Extraordinary Funding grant in 1990-91. But it should be understood that Council expects the ongoing structural deficit to be lower than its present figure and that if and when the College grows, the structural deficit should decrease as a proportion of the total operating budget.

### **6.1.2 Financial Supervision by Laurentian University**

The Ministry of Colleges and Universities has been supervising the financial affairs of Algoma College since the Ministry entered into an agreement with the College in 1986 to provide special funding subject to certain conditions which included Ministry supervision. Council believes that fiscal supervision should continue if Algoma is to go on receiving supplementary funding of any kind, including an Extraordinary Funding grant.

However, Council proposes that supervision be transferred from the Ministry to Laurentian University. Council believes that it is inappropriate for a Ministry to exercise supervision on a continuing basis of an institution which is part of an autonomous university system. At the same time, it is appropriate to transfer that supervision to a university with which the college being supervised is affiliated. Laurentian is familiar with Algoma's problems and also closer to it physically than is Toronto.

Laurentian must approve Algoma College's annual budget, any current year changes in that budget, and monitor expenditures on a quarterly basis to ensure actual spending corresponds closely with approved budgets. It is proposed that Algoma must develop and submit to Council by June 30, 1989 a plan for reduction of its accumulated deficit by 1992-93. Upon approval by Council, Laurentian would supervise the fulfillment of that plan. Within this supervisory role, Algoma would exercise independence as long as it stayed within its approved budget. Should quarterly monitoring of expenditures reveal serious deviation from the authorized budget, particularly if such expenditures would lead to a renewed current operating deficit, Laurentian University would be required to report this to the Minister. At that time the Minister would decide whether or not Government should appoint a trustee or have Laurentian take over the day to day control of Algoma's affairs to ensure its ongoing fiscal viability.

Council believes that Laurentian should be compensated by the Ministry for the expenses it incurs in its supervision. It also believes that the supervision should continue until the College has completely eliminating its accumulated operating deficit in 1992-93. When that occurs, Algoma should resume control of its own financial affairs.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-23*

*EXTRAORDINARY FUNDING GRANT FOR ALGOMA COLLEGE*

*THAT*, Algoma College receive an Extraordinary Funding grant calculated as noted above, and subject to the conditions noted above. Furthermore, that Laurentian University supervise the finances of Algoma College until the College eliminates its accumulated operating deficit, and that the Ministry compensate Laurentian University for the expenses it incurs in supervision.

### **6.3 Capital**

The Minister's reference asked Council to advise on appropriate capital allocations. The Ministry has in the meantime committed funds for a new library which will require ongoing operating commitments in excess of current requirements. These additional costs will have to be calculated and taken into account in estimating the size of the permanent structural deficit. Council does not believe extensive capital requirements for expansion would be justified under present and likely enrolment scenarios. Nor does a steady-state mission such as is proposed here require ambitious capital undertakings.

Modest expenditures on upgrading current facilities would seem to be justified if the College is to become more attractive to students. For example, the proposed renovation of the space vacated by the old library into classroom and student service use would seem to be warranted. Consideration should be given to upgrading, renovations and alterations of existing plant required to ensure efficient operation in the future.

Accordingly, Council *recommends to the Minister;*

*OCUA 88-24*

*CAPITAL NEEDS OF ALGOMA COLLEGE*

*THAT*, only capital required to renovate and upgrade existing facilities be considered in the near future.

H.V. Nelles  
Interim Chairman

January 20, 1989

## 88-IX Enhancing Access for Disabled Students to Ontario Universities

On April 20, 1988 the Minister of Colleges and Universities requested "Council's early advice on programs to promote access for the under-represented groups", and announced that \$4.0 million from the Accessibility Envelope would be set aside for that purpose.<sup>1</sup> Accordingly, Council struck a sub-committee, commissioned a study, and engaged in an extensive dialogue with the institutions and other interested parties to identify, more precisely, the obstacles to access facing underrepresented groups. As a result of these deliberations, and given the limited size of funds available, Council decided to focus on access for the disabled, a group for whom there appears to be a sense of urgency. A fund of this size, allocated exclusively to this group, could make a significant impact on the improvement of accessibility.

Council had to balance broad access for the disabled with institutional specialization. Council decided to promote access to all institutions while encouraging, at the same time, the development of enhanced services, specialized facilities and research capability, where areas of expertise and strength already exist.

In this memorandum Council examines some of the issues related to access for disabled students and recommends particular services and activities to qualify for funding. Herewith Council submits its advice on the allocation of the 1989-90 accessibility envelope for underrepresented groups.

### 1.0 Background

In discussing the ongoing accessibility envelope in 1987, the Minister of Colleges and Universities stated that, "This fund will be used to enhance opportunities for all qualified students, especially adults, part-time students and underrepresented groups in our society".<sup>2</sup>

Subsequent to providing advice on the ongoing accessibility envelope,<sup>3</sup> Council sought comments from the universities on ways to enhance opportunities for all qualified students from underrepresented groups.<sup>4</sup> In view of the needs

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1. Letter from the Honourable L. McLeod, Minister of Colleges and Universities, to Dr. P. Fox, April 20, 1988.
  2. Letter from the Honourable G. Sorbara, Minister of Colleges and Universities, to Mrs. Marnie Paikin, March 10, 1987.
  3. Ontario Council on University Affairs, "Advisory Memorandum 87-III" The Ongoing Accessibility Envelope for 1987-88.
  4. Letter from Dr. P. Fox to Executive Heads and other relevant organizations, August 27, 1987,

expressed by the university community and the limited funds made available in the current request, Council determined that an area of high priority was access for disabled students. This priority reflected the responses of the university community and changing societal attitudes as expressed in recent government legislation. Council determined, that the needs of the disabled, as a group, had not otherwise been addressed and that a substantial contribution to lowering the barriers encountered by disabled students could be made by an operating grant of this size.

## **1.1 Opportunities for Access for Other Underrepresented Groups**

In making the recommendation to concentrate all of the funds currently available for projects to support access for the disabled, Council by no means undervalues the needs of other underrepresented groups. Council is aware, however, of other initiatives which have addressed the enhanced accessibility of many of these special groups, a number of which are addressed below.

### **1.1.1 Northern Students**

In 1987, for example, Advisory Memorandum 87-V recommended the allocation of \$3 million in Special Northern Grants, "to address particular needs in providing university-level studies to Northern Ontario"<sup>5</sup>. This recognition was more formally instituted by the Minister's acceptance of Council's recommendation for an ongoing Northern Ontario Operations Grant.<sup>6</sup>

These special grants recognize the unique needs related both to operating universities in the north and to the "mission" of Northern universities in providing services for the north. The first type of incremental costs provided for under these grants are "location-related". They include provisions for the extra cost in "providing for a sufficiently broad array of program offerings in the Northern region, acquiring goods and services, utilities and snow removal, travel and Laurentian's affiliation agreement."<sup>7</sup>

The second type of incremental costs of delivering university education in the North are "mission-related" costs. These arise from:

... the different responsibilities that must be assumed and roles that must be played by a university for the North. Incremental costs associated with operating for the North include activities such as developing and operating a northern research centre, providing distance

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5. Ontario Council on University Affairs, "Advisory Memorandum 87-V", The Allocation of the Special Northern Ontario Grants for 1987-88.

6. Ontario Council on University Affairs, "Advisory Memorandum 88-III", Northern Ontario Grants Review.

7. Ibid., p.6.



education initiatives to remote communities, and the development of special programs related to regional needs.<sup>8</sup>

Both of these initiatives address enhanced access for northern students.

### **1.1.2 Franco-Ontario Students**

Council has also made recommendations for enhanced access for French language education through the special provisions of the bilingualism grants which will total \$21 million in 1989-90. These allocations recognize the Government's on-going commitment to providing French language programs.

### **1.1.3 Native Students**

In Council's survey on needs of underrepresented groups, several of the universities indicated that they participate in programs designed to enhance the accessibility of native students to university education. Both the Federal and Provincial governments sponsor several initiatives to encourage access for this group.

The Federal Department of Indian Affairs and Northern Development, for example, supports programs such as those for Native Classroom Assistants. Both Nipissing College and the University of Western Ontario indicated that they operate programs under this initiative, which is also funded by the Ministry of Colleges and Universities.<sup>9</sup>

The Indian Health Careers Program, funded by Health and Welfare Canada as part of its Indian and Inuit Health Career Development Program, is another example of an initiative designed to increase native students' participation in university-level studies. Its activities include the preparation of information materials, visits to Indian communities, liaison with bands and education counsellors, on-campus programs for Indian secondary school students that emphasize opportunities in the health care professions, advice and counselling for Indian persons interested in university admission, as well as support services for Indian students already on campus. University of Toronto indicated that it is active in this program.<sup>10</sup>

Other initiatives to encourage access of native students include the University of Western Ontario's Native Language Certificate in Journalism funded jointly by the Federal Secretary of State and the Ontario Ministry of Skill's

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8. Ibid., p.7.

9. Letter from Dr. A. Blackbourn, President, University College of Nipissing, to Dr. P. Fox, September 4, 1987; Letter from G.S. Smiley, Assistant Vice-President, University of Western Ontario, to Dr. P. Fox, September 22, 1987.

10. Letter from Dr. G. Connell, President, University of Toronto, to Dr. P. Fox, November 13, 1987.

Development.<sup>11</sup> The Faculty of Law at University of Toronto encourages applications for admission from Indian persons by giving special consideration to those applicants who have completed the summer orientation course in legal studies offered by the University of Saskatchewan Native Law Centre.<sup>12</sup>

#### **1.1.4 Ethnic Minorities**

There is no way of determining, officially, the ethnic origin of Ontario university students. The precise participation rates of any ethnic group are not known. Council firmly believes that members of ethnic minorities are fully entitled to university education and that there are societal barriers to achieving this. Directly addressing these barriers is beyond the capability of universities and to do so effectively would cost significantly more than \$4 million. Council concurs with Wilfrid Laurier University,<sup>13</sup> which suggests that more emphasis should be placed on programs to overcome disadvantages faced by minority groups at the secondary school level.

In his submission to the Commission on the Future Development of the Universities of Ontario, Dr. David Stager made the case that factors other than ethnic origin have a very strong relationship to university participation rates and that it may not be appropriate to measure accessibility or quantify participation rates by ethnic origin.<sup>14</sup>

## **2.0 Access for Disabled Students**

Since the International Year of the Disabled in 1981, there has been a heightened awareness and concern about access to education, social services and public institutions by disabled persons. Both Federal and Provincial governments have introduced legislation responding to the needs of disabled persons in our society. Specifically, Section 15 of the Canadian Charter of Rights and Freedoms and the Ontario Human Rights Code (Sections 10, 16, 23) ensure the rights of all citizens as fully enfranchised members of society. The operation of these provisions means that universities must provide full and appropriate access to universities. Bill 82 (The Education Amendment Act) has enabled students with learning disabilities to have improved access to publicly funded education and growing numbers of this group are in the secondary school population. As a result of these initiatives, more students are demanding

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11. Letter from G.S. Smiley, op. cit.

12. Letter from Dr. G. Connell, op.cit.

13. Letter from Dr. J. Weir, President, Wilfrid Laurier University, to Dr. P. Fox, September 24, 1987.

14. D. Stager, "Accessibility and the Demand for University Education," Discussion paper prepared for The Commission on the Future Development of the Universities of Ontario (1984).

opportunities for university education. Recent surveys by Council<sup>15</sup> and Carleton University<sup>16</sup> indicated that the university sector has not kept pace with the secondary schools in the delivery of services to the disabled.

## 2.1 Need for Action

Council strongly believes that, in addition to the legislative initiatives outlined above, there is a clear societal need to improve access at the university level. In Council's view several factors distinguish disabled students from other groups seeking enhanced access.

First, existing data suggest that disabled persons are presently underrepresented in the university population. A Statistics Canada survey indicated that a non-disabled Canadian is three times more likely to hold a university degree than a disabled Canadian. Further, at all levels, the educational attainment among disabled persons is clearly a good deal lower than that of the general population.<sup>17</sup>

The degree of underrepresentation, however, is not precisely known because disabled people are also under-identified. Many disabled students feel that their academic success may be jeopardized if they admit to needing help.<sup>18</sup> Universities must develop a non-threatening environment which enables all students to feel free to ask for the assistance they need. Specific action is required, therefore, in order to improve awareness of disabled students' needs and potential.

The disabled population is not a homogeneous group. Government initiatives noted earlier point to the variety of groups under the heading of 'disabled'. These include mobility impaired, visually impaired, hearing impaired and learning disabled. Further, within each group there is a wide variation in the extent and severity of disability.<sup>19</sup> This diversity presents another difficulty in identifying and adequately servicing each of these students. Such individual variation points to the need for personal assistance and the fact that accessibility problems for these students do not end with admission to university.

Medical and technological advances make university education feasible for more students with special needs. As noted earlier, Bill 82 has enabled students

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15. Letter from Dr. P. Fox, to Executive Heads and other relevant organizations, October 19, 1988.
  16. T. Doe, & L. McCloskey, "Education as a Human Right," Study funded by Secretary of State and Carleton University (1988).
  17. Statistics Canada, Canada Health and Disability Survey (1983).
  18. P. Wesley, Access for Disabled Persons to Ontario Universities. A report for the Ontario Council on University Affairs (1988); National Educational Organization for Disabled Students, "Proceedings from Founding Conference," (1987).
  19. R. Wiseman, R. Emry, & D. Morgan, "Predicting Academic Success for Disabled Students in Higher Education," Research in Higher Education 28(3) (1988): 255-269.

with learning disabilities to complete high school and demand access to university. Reports from institutions indicate that requests for assistance from disabled students are rising significantly, in some cases doubling each year.<sup>20</sup>

In view, therefore, of Government legislation and the other initiatives identified above, Council believes that directing the portion of the accessibility envelope allocated for underrepresented groups toward the disabled is both timely and urgent.

### **3.0 Funding for Disabled Access**

The Minister has already recognized this need in one sector of the publicly funded higher education system. In March, 1988, the Ministry of Colleges and Universities announced that an additional \$3.1 million would be allocated to the colleges of applied arts and technology noting that, "one of the Government's priorities is the accommodation of students with special needs."<sup>21</sup>

In the process of developing its recommendations to the Minister, Council examined practice in other jurisdictions and considered advice from many sources. As well, Council commissioned a study to examine the issues affecting the access of disabled students to university education.<sup>22</sup> Subsequent to this report, the university community was surveyed for reaction to some of the current issues and those raised in the report:

1. Should resources be provided at each institution for each disability or should there be a concentration of facilities in certain locations?  
If all disabilities cannot be addressed at once, what order of priorities would you recommend among disabilities for: (a) the system as a whole, (b) your institution?
2. What types of activities and expenditures should be eligible for support under the accessibility envelope?
3. Would you prefer that the funds be distributed on a project competition basis, by some form of formulaic allocation, or by some other criteria?<sup>23</sup>

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20. Letter from Dr. D. Wright, President, University of Waterloo, to Dr. P. Fox, November 14, 1988; Letter from Dr. H. Arthurs, President, York University, to Dr. P. Fox, November 14, 1988.

21. Memorandum from Dr. R. Benson, Assistant Deputy Minister, Ministry of Colleges and Universities, to Presidents, Colleges of Applied Arts and Technology, March 21, 1988.

22. P. Wesley, Access for Disabled Persons to Ontario Universities, A report for the Ontario Council on University Affairs (1988).

23. Letter from Dr. P. Fox, to Executive Heads and other relevant organizations, October 19, 1988.



Responses to the survey demonstrated thoughtful attention to the issue which went beyond the distribution of funds, and indicated a genuine concern for increased access for disabled students.

### **3.1 Specialization vs Broad Access by Institution**

In preparing its advice, Council explored whether resources should be provided at each institution for each disability or whether, in view of the limited funds available at this time, it might be preferable to concentrate facilities in certain locations. A number of the institutions indicated, quite clearly, that funding only specialized institutional initiatives should not be encouraged. Several responses referred to the danger of 'ghetto-ization' raised by institutional specialization according to disability. Students should be enabled to choose any institution in the system as do able-bodied students. The University of Waterloo noted that concentrating resources for a specific disability group solely at a given university would not only be an unacceptable limitation of freedom of choice for the student, but would discard the years of effort to accommodate all disability groups.<sup>24</sup> Admission must be based on qualification requirements alone. University of Ottawa asserted that anything less would be contrary to the basic principle of accessibility.<sup>25</sup>

Council believes that these responses do not preclude the possibility of establishing centres of expertise, especially where these build on existing strengths. In the main, however, it would appear more appropriate to encourage a basic capability to accommodate all disabilities, and to encourage universities who seek to develop special facilities, to do so. Some universities might usefully provide the highly specialized areas which could also serve as focal points for research. An example of this would be the University of Waterloo's Low Vision Clinic.

A major need identified by all institutions was for physical access, not only for those with a mobility limitation but also for those with sight and hearing impairments. Respondents also noted the rising demand from learning disabled students for increased access to, and assistance in, university education. In view of the points presented throughout this memorandum, Council suggests that, at this time, no special funding consideration be given to specialization by institution or disability.

The mechanism to allocate the \$4.0 million must provide basic support for all institutions. Council considered two options in preparing its advice on the allocation mechanism. Reflecting its decision to recommend system-wide support, Council saw the need to cover basic fixed costs in the delivery of services to the

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24. Letter from Dr. D. Wright, President, University of Waterloo, to Dr. P. Fox, November 14, 1988.

25. Letter from Dr. A. D'lorio, Rector and Vice-Chancellor, University of Ottawa to Dr. P. Fox, November 14, 1988.

disabled. These needs, such as a coordinating office, could best be addressed by a formulaic allocation. By comparison, a discretionary or project based distribution would provide support for specialized initiatives but might not serve all institutions. Further, with the funds available, competition may not be justified.

Council favours a distribution of the \$4 million, proportionate to each institution's share of base BIUs, to address these fixed costs. As well, in order to provide a basic level of service to all universities, Council recommends that the allocation mechanism provide a basic level of funding to each institution. Further, Council believes that this allocation must be annual and ongoing.

Accordingly, Council *recommends to the Minister,*

*OCUA 88-25*

*ALLOCATION OF FUNDING FOR DISABLED STUDENTS: 1989-90.*

*THAT*, these funds be allocated according to each institution's share of Base BIUs with a minimum floor of \$30,000 allocated to each institution.

The distribution of funds for 1989-90 under this allocation mechanism is shown in Table 1.

## **3.2 Types of Activities**

Finally, Council considered options for the types of activities that should be eligible for support under the accessibility envelope. The activities selected affect many aspects of university life, including admissions, organizational approaches and delivery of services. Universities, for example, should develop and implement specific strategies to ensure that activities associated with the admissions process are consistent with provisions of the legislation cited earlier.

The responses to Council's survey urged that the parameters be broad enough to allow each institution to address its own greatest need. The diversity of this need has been well documented throughout this memorandum. Council has examined both the approaches taken in other jurisdictions and the advice of those working with disabled persons in preparing this advice.

In keeping with the spirit of the accessibility envelope, Council suggests that the allocation be used for purposes which fall within the broad categories which follow. The institution will determine its own priorities among the range of activities and devices deemed eligible under the accessibility envelope's special provisions as described below.

### **3.2.1 Special Needs Office**

As a priority, Council recommends funding to establish and staff a special needs office. Provisions should be made for appropriate counselling, availability of professional resources, and information focussed on special needs students.

The allocation criteria should allow for the variability of need within the system. Such a mechanism for the delivery of service is fundamental to ensuring access and Council believes that this expenditure is prerequisite to the other initiatives recommended. Special needs officers should have the dual mandate of identifying and developing existing strengths and programs currently attractive to disabled students, as well as opening up new opportunities, possibly in fields hitherto closed to the disabled. These special needs officers would facilitate the overall co-ordination necessary in light of both the rapidly expanding requests, and the diversity of assistance needed.

### **3.2.2 Professional Development**

In order to support the initiative described above, and to extend services throughout the institution, Council recommends professional development activities to acquaint all personnel with the special needs of the disabled, the services available, and the legal obligations facing the institution.<sup>26</sup> Council suggests that these training sessions be developed in conjunction with the major voluntary organizations for the disabled. Activities in this broad category should also include the provision of assistance to faculty members to enable them to be more effective in assisting the disabled.

Another goal of professional development should be to identify the needs and potentials of the disabled not currently targetted by other programs, such as with general arts studies and advanced professional training.

### **3.2.3 Support Services/Devices**

Initiatives eligible for funding in this category include both technological aids and support services as detailed below.

## **3.3 Eligible Expenditures**

Council recommends that eligible expenditures include, but not be limited, to the following:

- staffing and overhead support for offices for students with special needs;
- general program support - for example, the costs of the design and implementation of a volunteer service and the purchase on design of assessment packages
- equipment and technology - including both the acquisition and maintenance of Braille printers, TDD telephones, FM hearing

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26. Canadian Charter of Rights and Freedoms, Part I The Constitution Act, 1982, being schedule B of the Canada Act 1982 (U.K.), 1982 c.11; Human Rights Code 1981 S.O. 1981, c.53, as amended by S.O. 1984, c. 58, s. 39 S.O. 1986, c. 64, s. 18; The Education Amendment Act, 1980.

equipment for lectures, tactile signage and other devices, digital audio readers and other devices;

- attendant care on a limited basis;
- operating training sessions for all segments of the university community to raise awareness of needs of disabled;
- computer print-out captioning for lecture material;
- improving library systems for improved inter-library loan service and better access to tapes and brailled publications; and
- orientation programs to assist disabled students to accommodate to university life.

Accordingly, Council *recommends to the Minister,*

*OCUA 88-26*

*ELIGIBLE ACTIVITIES AND EXPENDITURES FUNDED UNDER THE ACCESSIBILITY FOR THE DISABLED ENVELOPE*

*THAT*, the activities and expenditures outlined in this memorandum be eligible for Government support under the Disabled Accessibility Envelope.

#### **4.0 Other Issues Affecting Access for the Disabled to Ontario Universities**

##### **4.1 Capital Funding**

Unlike other underrepresented groups, the prime obstacle to access for many disabled students is simply gaining physical access to universities' facilities. While such capital projects are outside the advice provided in this memorandum, Council urges the Minister to consider funding mechanisms that will assist institutions to meet this key issue of access.

All correspondence with Council indicated that lack of funds for capital construction and alterations to existing buildings were the greatest barriers to access in providing enhanced participation by disabled students. In addition to the considerable funds needed for these alterations, all new construction is subject to the revised provisions of the barrier free design standards of the Ontario Building Code. Another major capital expense that universities face in accommodating disabled students is the provision of special residence accommodation.



Accordingly, Council *recommends to the Minister,*

OCUA 88-27

**CAPITAL SUPPORT FOR THE NEEDS OF THE DISABLED**

*THAT*, the provision of capital funding to accommodate the physically disabled become a high priority, and that government provide additional capital grants for this purpose.

Council will make recommendations in its funding advice for 1990-91 on special capital funding for disabled access.

**4.2 Student Financial Support**

Providing appropriate access for disabled students will also require a re-examination of student funding mechanisms. As currently constituted, both the Ontario Student Assistance Plan (OSAP) and the Vocational Rehabilitation Services Act (VRS) have limitations as avenues of financial assistance for the disabled student. Increased sensitivity is needed, and changed patterns of thinking will be required, in order to bring the provisions of these financial assistance plans to better facilitate the entrance to university of disabled students.

Of particular concern to Council is the inability of some students to choose freely a course of study under the current guidelines of VRS. This Act sets conditions for disabled persons to gain access to the main source of student assistance available to them, which are not applied to other students. Council, therefore, urges the Minister to press for amendments to the Vocational Rehabilitation Services Act of Ontario, (1966) and its attendant regulations, to widen the criteria for student support to include general undergraduate programs. Examples show clearly that not all areas of university education are allowed. Specifically, there are limitations in choosing general arts and graduate studies.

Other aspects of the Vocational Rehabilitation Services Act and Ontario Student Assistance Program plans, as they are currently structured, inhibit the pursuit of higher education by the disabled student. The 'means' test, as currently constituted, and the inability of part-time students to apply, are of particular note. Clearly, updating of financial assistance plans is needed if access for disabled students is to be enhanced.

Council, therefore *recommends to the Minister that,*

OCUA 88-28

**FINANCIAL ASSISTANCE FOR DISABLED STUDENTS**

*THAT*, the Minister review student assistance to disabled persons and undertake to ensure that the Ontario Student Assistance Plan adequately covers the living and educational costs of disabled persons, regardless of the university degree program in which the student is enrolled.

### **4.3 Other General Issues**

Council would endorse the encouragement of collaborative research focussed on the needs of the disabled. Such initiatives are particularly appropriate to the mandate of universities. On the broader scene, Council encourages the Minister to explore the concept of support for centres of expertise.

Council feels that action on many fronts will be necessary if disabled students are to attain their rightful place in our universities.

### **5.0 Accountability**

Council believes it is important that Government is assured that the funds distributed under this portion of the accessibility envelope have been put towards the intended purposes. To this end, it may be appropriate for institutions to submit to the Ministry an annual accounting of their expenditure of these special funds following each fiscal year. Council believes that the degree of detail and nature of the accounting required can be best determined by the Ministry, to satisfy the Minister's need for public accountability of the expenditure of public funds.

### **6.0 Conclusion**

In making the recommendations outlined in this memorandum, Council has identified only those needs that can be addressed under the terms of the Accessibility Envelope. Council urges that, in order to be effective as a means of enhancing access for disabled students, this allocation be made annually. The initiatives already taken by institutions reassure Council that these additional operating funds, if made available on an ongoing basis, will make a significant contribution to both the enhanced access and academic achievement of disabled persons at Ontario universities.

Beyond these activities there are additional needs in other areas, as already noted in the memorandum. There is, for example, a pressing need for capital funding for both alterations to existing facilities and new construction, including accommodation, in order to meet the increasing demand for access to universities from academically qualified disabled persons. Further, there is an urgent need to re-examine the financial assistance available to students. Mechanisms must be put in place so that disabled students can have full and appropriate access to such assistance.

Dr. H.V. Nelles  
Interim Chairman

January 20, 1989

Table 1

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**Disabled Accessibility Funding Allocation  
1989-90**


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Universities	Funds (\$000)
Brock	91
Carleton	194
Guelph	226
Lakehead	68
Laurentian	73
Algoma	30
Nipissing	30
Hearst	30
McMaster	244
Ottawa	288
Queen's	260
Toronto	808
Trent	48
Waterloo	299
Western	392
Wilfrid Laurier	86
Windsor	155
York	407
OISE	47
Ryerson	163
OCA	30
Dominican	<u>30</u>
Total	4,000

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# 88-X Graduate Program Funding

- 1.1 Applied Environmental Studies In Industrial Development (MAES), University of Waterloo;
- 1.2 Criminology (PhD), University of Toronto;
- 1.3 Epidemiology (MSc), University of Ottawa;
- 1.4 Mathematics (PhD), York University;
- 1.5 Music (MMusic), University of Ottawa;
- 1.6 Occupational Therapy (MSc), University of Western Ontario;
- 1.7 Rehabilitation Therapy (MSc), Queen's University;
- 1.8 Spanish (MA), University of Ottawa;
- 1.9 Systematic Musicology (PhD), University of Western Ontario;

## Introduction

In this Memorandum the Ontario Council on University Affairs continues the practice of submitting annual advice on the funding of new and existing graduate programs as initiated in Advisory Memorandum 83-VIII.

The graduate program funding approval process was developed to achieve Council's objectives for the graduate enterprise in Ontario<sup>1</sup> and to achieve Council's system-wide goals of institutional role differentiation and system rationalization. Council bases its annual funding advice on new and existing programs on the five criteria for funding approval contained in Advisory Memorandum 83-VIII.<sup>2</sup> Briefly, each program must have passed a rigorous academic appraisal, as certified by the Council of Ontario Universities, without requiring any improvement; the university must demonstrate a societal need and student demand for the program; the program should not duplicate existing programs unless duplication is justifiable; the program must be consistent with the aims, objectives and existing strengths of the institution offering it and be included in the institution's five-year plan; and, Council must deem the program deserving of funding even in a time of economic constraint.

Council continues the practice of recommending a weight for each graduate level-one program. All graduate level-two programs, as outlined in the Ministry's Operating Formula Manual, will be in Category 8 with a weight of 6, or 2 per term.

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1. See Ontario Council on University Affairs, Tenth Annual Report, 1983-84, Advisory Memorandum 83-VIII: Graduate Program Planning and Funding, p. 65.

2. Ibid., p. 72.

## 1.0 New Graduate Programs

### 1.1 Applied Environmental Studies in Industrial Development (MAES), University of Waterloo

Council has reviewed the advice of its Academic Advisory Committee regarding the University of Waterloo's new Master of Applied Environmental Studies program (see Appendix A) and is satisfied that the program meets the first four funding criteria.

The evidence provided clearly demonstrates that the proposed program is unique and meets the needs of both economic development practitioners and individuals seeking a career in the field of industrial development. Council notes that the program builds on existing teaching and research strengths at the University of Waterloo.

Council, therefore, recommends that enrolment in this program be deemed eligible for counting, even in a time of economic constraint.

Accordingly, Council *recommends to the Minister:*

OCUA 88-29

*ELIGIBILITY OF ENROLMENT IN THE MASTER OF APPLIED ENVIRONMENTAL STUDIES PROGRAM IN INDUSTRIAL DEVELOPMENT AT THE UNIVERSITY OF WATERLOO FOR FUNDING PURPOSES IN 1989-90*

*THAT*, enrolment in the Master of Applied Environmental Studies program in Industrial Development at the University of Waterloo be counted as eligible BIUs for funding purposes beginning in 1989-90 - the program to be in Category 7 with a weight of 4 or 1.333 per term, as outlined in the Ministry's Operating Formula Manual.

### 1.2 Criminology (PhD), University of Toronto

Council has reviewed the advice of its Academic Advisory Committee regarding the University of Toronto's new Doctor of Philosophy in Criminology program (see Appendix B) and is satisfied that the program meets the first four funding criteria.

Council recognizes that this program provides a unique opportunity in Ontario to study and conduct research specifically in the field of criminology. The program will produce graduates who will fill positions in academe, in government, and in the private sector.

The University of Toronto has developed this program based on extensive research and teaching strengths in the area of criminology.

Council, therefore, recommends that enrolment in this program be deemed eligible for counting, even in a time of economic constraint.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-30*

*ELIGIBILITY OF ENROLMENT IN THE DOCTOR OF PHILOSOPHY PROGRAM IN CRIMINOLOGY AT THE UNIVERSITY OF TORONTO FOR FUNDING PURPOSES IN 1989-90*

THAT, enrolment in the PhD program in Criminology at the University of Toronto be counted as eligible BIUs for funding purposes beginning in 1989-90.

### **1.3 Master of Science in Epidemiology (MSc), University of Ottawa**

Council has reviewed the advice of its Academic Advisory Committee regarding the University of Ottawa's new Master of Science in Epidemiology program (see Appendix C) and is satisfied that the program meets the first four criteria for funding eligibility.

The evidence provided demonstrates that there is a substantial societal need for the program in the Ottawa region. A wide variety of organizations indicate their desire to enrol their employees in the program, to provide research data and facilities, and to provide jobs to program graduates.

Council notes that the MSc Epidemiology program is not unique in Ontario, but recognizes that it would meet a need and demand for such a program in the Ottawa area.

Given the University of Ottawa's existing strengths in the medical and health science disciplines, Council believes that the development of the MSc Epidemiology program is highly appropriate.

Council, therefore, recommends that enrolment in this program be deemed eligible for counting even in a time of economic constraint.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-31*

*ELIGIBILITY OF ENROLMENT IN THE MASTER OF SCIENCE PROGRAM IN EPIDEMIOLOGY AT THE UNIVERSITY OF OTTAWA FOR FUNDING PURPOSES IN 1989-90*

THAT, enrolment in the MSc program in Epidemiology at the University of Ottawa be counted as eligible BIUs for funding purposes beginning in 1989-90 - the program to be in Category 7 with a weight of 4, or 1.333 per term, as outlined in the Ministry's Operating Formula Manual.

#### 1.4 Doctor of Philosophy in Mathematics (PhD), York University

Council has reviewed the advice of the Academic Advisory Committee regarding York University's new Doctor of Philosophy program in Mathematics (see Appendix D) and is satisfied that the program meets the first four criteria for funding eligibility.

Council accepts that there will be a long-term shortage of doctoral mathematics program graduates. Council is satisfied that the York program, with its unique strengths in the areas of mathematical foundations, group theory and probability and statistical theory, will contribute to the number of doctoral graduates available to meet the future demand for doctoral-level mathematics graduates.

Council recognizes that York has existing strengths in the area of mathematics and that student demand in doctoral-level mathematics programs generally is strong. Council believes that in light of current teaching and research strengths it is appropriate for the proposed PhD in Mathematics to be offered by York University.

Accordingly, Council *recommends to the Minister:*

OCUA 88-32

*ELIGIBILITY OF ENROLMENT IN THE DOCTOR OF PHILOSOPHY  
PROGRAM IN MATHEMATICS AT YORK UNIVERSITY FOR  
FUNDING PURPOSES IN 1989-90*

THAT, enrolment in the PhD in Mathematics program at York University be counted as eligible BIUs for funding purposes beginning in 1989-90.

#### 1.5 Master of Music (MMus), University of Ottawa

Council has reviewed the advice of its Academic Advisory Committee regarding the University of Ottawa's new Master of Music program (see Appendix E) and is satisfied that the program meets the first four funding criteria.

Council acknowledges that this is a unique program and will produce graduates to meet the growing demand for chamber musicians as well as graduates with specialized research skills.

Council notes that the program is bilingual. The program's development reflects the University of Ottawa's significant commitment to the study of music. This commitment is also reflected in the current construction of specialized facilities in which the program will be housed.

Council, therefore, recommends that enrolment in this program be deemed eligible for counting, even in a time of economic constraint.



Accordingly, Council *recommends to the Minister:*

OCUA 88-33

**ELIGIBILITY OF ENROLMENT IN THE MASTER OF MUSIC PROGRAM AT THE UNIVERSITY OF OTTAWA FOR FUNDING PURPOSES IN 1989-90**

THAT, enrolment in the Master of Music program at the University of Ottawa be counted as eligible BIUs for funding purposes beginning in 1989-90 - the program to be in Category 7 with a weight of 4, or 1.333 per term, as outlined in the Ministry's Operating Formula Manual.

**1.6 Master of Science in Occupational Therapy (MSc), University of Western Ontario**

Council has reviewed the advice of its Academic Advisory Committee regarding the University of Western Ontario's new Master of Science program in Occupational Therapy (see Appendix F) and is satisfied that the program meets the first four funding criteria.

The evidence provided indicates that a serious shortage of occupational therapists with advanced teaching and research skills exists in Ontario. Council is convinced that this program will produce graduates to meet this need, and that student demand for the program will be strong.

This unique program clearly builds on existing strengths at the University of Western Ontario in the field of occupational therapy. Council, therefore, recommends that enrolment in the program be deemed eligible for counting, even in a time of economic constraint.

Accordingly, Council *recommends to the Minister:*

OCUA 88-34

**ELIGIBILITY OF ENROLMENT IN THE MASTER OF SCIENCE PROGRAM IN OCCUPATIONAL THERAPY AT THE UNIVERSITY OF WESTERN ONTARIO FOR FUNDING PURPOSES IN 1989-90**

THAT, enrolment in the MSc program in Occupational Therapy at the University of Western Ontario be counted as eligible BIUs for funding purposes beginning in 1989-90 - the program to be in Category 7 with a weight of 4, or 1.333 per term, as outlined in the Ministry's Operating Formula Manual.

**1.7 Master of Science In Rehabilitation Therapy (MSc), Queen's University**

Council has reviewed the advice of its Academic Advisory Committee regarding Queen's University's new Master of Science in Rehabilitation Therapy program (see Appendix G) and is satisfied that the program meets the first four funding criteria.

Council accepts that there is a dearth of research being done in the field of rehabilitation therapy and that this program will produce graduates who will be qualified to both teach and contribute to the development of a body of research in this field.

Council notes that this program is consistent with Queen's University's existing strengths in rehabilitation therapy at the undergraduate level. Council, therefore, recommends that enrolment in this program should be deemed eligible for counting, even in a time of economic constraint.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-35*

*ELIGIBILITY OF ENROLMENT IN THE MASTER OF SCIENCE PROGRAM IN REHABILITATION THERAPY AT QUEEN'S UNIVERSITY FOR FUNDING PURPOSES IN 1989-90*

*THAT*, enrolment in the MSc program in Rehabilitation Therapy at Queen's University be counted as eligible BIUs for funding purposes beginning in 1989-90 - the program to be in Category 7 with a weight of 4, or 1.333 per term, as outlined in the Ministry's Operating Formula Manual.

**1.8 Master of Arts In Spanish (MA), University of Ottawa**

Council has reviewed the advice of its Academic Advisory Committee regarding the University of Ottawa's Master of Arts in Spanish program (See Appendix H) and is satisfied that the program meets the first four funding criteria.

Council notes that this program has been in operation for almost ten years and was appraised as a program of good quality in 1985. The program clearly produces Spanish graduates who meet the needs of employers in the Ottawa region. Student demand is strong and the Department has recently received a significant amount of research funding.

Council recognizes that the University of Ottawa has significant existing strengths in the fields of modern languages, linguistics and translation. However, Council does not believe that the bilingual environment in which the program is offered makes the program different from other Spanish programs, since all programs are conducted entirely in Spanish.

Council, therefore, recommends that enrolment in this program should be deemed eligible for counting, even in a time of economic constraint.

Accordingly, Council *recommends to the Minister:*

OCUA 88-36

*ELIGIBILITY OF ENROLMENT IN THE MASTER OF ARTS PROGRAM IN SPANISH AT THE UNIVERSITY OF OTTAWA FOR FUNDING PURPOSES IN 1989-90*

*THAT*, enrolment in the MA Spanish program at the University of Ottawa be counted as eligible BIUs for funding purposes beginning in 1989-90 - the program to be in Category 6 with a weight of 3, or 1 per term, as outlined in the Ministry's Operating Formula Manual.

**1.9 Doctor of Philosophy in Systematic Musicology (PhD), University of Western Ontario**

Council has reviewed the advice of its Academic Advisory Committee regarding the University of Western Ontario's new Doctor of Philosophy program in Systematic Musicology (see Appendix I) and is satisfied that the program meets the first four funding criteria.

Council, realizing that this program will provide a unique opportunity for the study of systematic musicology at the doctoral level in Ontario, believes that the program will be a source of new faculty to fill positions left vacant through faculty retirements. It will also produce graduates needed for teaching and research purposes outside the university system.

The Council notes that this program builds upon existing strength in the field of music at the undergraduate and master's level at the University of Western Ontario.

Council, therefore, recommends that enrolment in this program should be deemed eligible for counting, even in a time of economic constraint.

Accordingly, Council *recommends to the Minister:*

OCUA 88-37

*ELIGIBILITY OF ENROLMENT IN THE DOCTOR OF PHILOSOPHY PROGRAM IN SYSTEMATIC MUSICOLOGY AT THE UNIVERSITY OF WESTERN ONTARIO FOR FUNDING PURPOSES IN 1989-90*

*THAT*, enrolment in the PhD program in Systematic Musicology at the University of Western Ontario be counted as eligible BIUs for funding purposes beginning in 1989-90.

## **2.0 Existing Graduate Programs**

Council has reviewed the Ontario Council on Graduate Studies annual Report to the Ontario Council on University Affairs on Appraisal Results: 1987-88. This Report indicates that one program was placed in the NOT APPROVED category (category "d"): Master of Architecture (MArch), University of Toronto. In Advisory Memorandum 87-XIV, Graduate Program Funding, Fourteenth Annual Report, Council recommended that funding for this program be withdrawn since the Council of Ontario Universities had already notified Council that this program was not of acceptable academic quality.

Council has no recommendations to make on existing graduate programs at this time. Council will continue to monitor the quality of, and the need for existing funded graduate programs and will advise the Minister accordingly each year.

Dr. H.V. Nelles  
Interim Chairman

February 17, 1989



**ACADEMIC ADVISORY COMMITTEE**  
**Master of Applied Environmental Studies in**  
**Industrial Development (MAES)**  
**University of Waterloo**  
**New Graduate Program Considered for Funding Eligibility**

On September 8, 1987, the University of Waterloo requested that Council consider its new Master of Applied Environmental Studies in Industrial Development program for funding eligibility. Council, according to established procedures, referred the program to its Academic Advisory Committee. The Committee's findings, resulting from the application of Council's criteria for funding eligibility, are summarized below.

**1. Academic Appraisal**

The Council of Ontario Universities has certified that on April 24, 1987 this program passed a rigorous academic appraisal conducted by the Ontario Council on Graduate Studies and, at the time of appraisal, did not require any improvements.

**2. Need**

The Master of Applied Environmental Studies in Industrial Development program was developed to meet a need for graduate study in the field of economic development, and in particular industrial development, at the sub-national level. The need for this program was expressed by economic development practitioners, such as economic development and business development officials, who wished to further their knowledge and skills.<sup>1</sup>

The program can be taken on a full-time or part-time basis, or in a combination of full and part-time study to accommodate the schedules of students already employed full-time.

Required courses focus on the theory and practice of local and regional planning and development, and statistical analysis. There is no thesis option; however, a major research paper is required.

Economic development practitioners and recent graduates holding an honours undergraduate degree in commerce, business economics or geography will be admitted to the program. For students with less than two full years of experience in the industrial development field, a six-month period of relevant professional experience will be a prerequisite to graduation from the program.

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1. University of Waterloo, University of Waterloo, Masters of Applied Environmental Studies in Industrial Development, (Request for Formula Funding Support), September 8, 1987, p.1.

The majority of graduates from this program will be employed by municipal and regional governments or their agencies. Federal and provincial government departments, private development corporations and financial institutions also employ economic development professionals to identify opportunities for business development and prepare strategies for realizing those opportunities. Graduates of this program would be ideally suited for such positions.

The Committee notes that this program has been strongly endorsed by the Industrial Developers Association of Canada (IDAC), a national organization which has been working over the past twenty years toward the identification and improvement of the knowledge required by the economic development practitioner.<sup>2</sup>

IDAC indicated that this program is essential to the achievement of economic development expertise in Canada:

The needs of our membership are those of any profession struggling to keep abreast of the rapid technological, informational and societal changes of an increasingly integrated world economy. Personnel entering the field today must start with a far greater understanding of the theoretical and technical aspects of economic development than was necessary only a few years ago.

This program meets many of these needs...The Industrial Developers Association of Canada both supports and endorses the University of Waterloo in their efforts to establish the MAES program in Industrial Development. We believe that it will be of value, not only to the profession of economic development, but also to the nation, by providing personnel equipped to deal with the economic development challenges to come.<sup>3</sup>

Additional evidence of the need for this program was received from employers across Canada including the Parry Sound Area Economic Development Commission, the Royal Bank of Canada, the Province of Nova Scotia Department of Industry, Trade and Technology, Iducon Consultants, Manitoba Parkland Regional Development Inc., the City of Red Deer, the Niagara Region Development Corporation, Edmonton Economic Development Authority and the cities of Guelph and Kitchener. These letters indicate that the need for this program is nation-wide and long-term.

To date, the University of Waterloo has received over seventy inquiries about the Master of Applied Environmental Studies in Industrial Development

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2. Letter from Mr. Malcolm Harvey, Chairman, Professional Development Committee, Industrial Developers Association of Canada to Dr. Paul Fox, Chairman, Ontario Council on University Affairs, June 2, 1988, p. 2.

3. Ibid., pp. 1-2.

program. Despite the strong evidence of interest in the program, enrolments will be limited to ten full-time equivalent students per year (five in-career students and five students from undergraduate programs) for the first three years. In the Fall of 1988, eight full-time and three part-time students were admitted to the program. The University of Waterloo projects a maximum steady-state enrolment for the program of fifteen students after 1990-91.<sup>4</sup>

Given the extensive evidence of a local, regional and national need for this program and of demonstrable student demand, the Committee is satisfied that this program meets Council's criteria of societal need and student demand.

### **3. Uniqueness**

This program does not duplicate any existing program in Ontario or in Canada. The Committee is satisfied that the MAES program in Industrial Development is unique.

### **4. Aims, Objectives and Existing Strengths**

Within the University of Waterloo, there are currently a number of teaching and research themes covered by the Faculty of Environmental Studies which are relevant to the MAES Industrial Development program, including urban and regional development, industrial development, the geography of agriculture, tourism, industry and business, resource use and analysis and quantitative analysis and modelling of urban and regional economic systems.

In addition, since 1972, the Faculty of Environmental Studies, in co-operation with the Industrial Developers Association of Canada, has offered a series of in-career educational courses which culminate in a Certificate or Diploma in Economic Development.

Given its existing teaching and research strengths in related areas of study, the University of Waterloo has well-developed library resources in the field of economic development: existing computer facilities are more than adequate to serve the program.

The program is included in the University's five-year graduate plan and is consistent with Waterloo's commitment to the interdisciplinary study of the environment, resources and urban and regional planning.

The Academic Advisory Committee considers this MAES in Industrial Development program to be an appropriate development for the University of Waterloo.

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4. University of Waterloo, op. cit. p. 1.

5. **Funding**

The Committee, therefore, recommends to Council that:

enrolment in the Master of Applied Environmental Studies in Industrial Development at the University of Waterloo be recommended by Council for funding eligibility.

Academic Advisory Committee

November 25, 1988



**Doctor of Philosophy in Criminology (PhD)**  
**University of Toronto**  
**New Graduate Program Considered for Funding Eligibility**

On August 10, 1988, the University of Toronto requested that Council consider its new Doctor of Philosophy program in Criminology for funding eligibility. Council, according to established procedures, referred the program to its Academic Advisory Committee. The Committee's findings, resulting from the application of Council's criteria for funding eligibility, are summarized below.

**1. Academic Appraisal**

The Council of Ontario Universities has certified that on November 20, 1987 this program passed a rigorous academic appraisal conducted by the Ontario Council on Graduate Studies and, at the time of appraisal, did not require any improvements.

**2. Need**

The primary aim of the graduate program in Criminology is to provide graduate students with opportunities for advanced multi-disciplinary study and research experience concerning criminal behaviour and the administration of criminal justice. The program is specifically designed to educate students for careers in teaching or research in criminology.<sup>1</sup>

The development of a PhD program in Criminology at the University of Toronto will meet a general societal need for criminologists trained at the doctoral level and will provide an opportunity for students to pursue this degree in Ontario. A doctoral degree in Criminology can be obtained currently in French at the University of Montreal or at Simon Fraser University in British Columbia, where the program has an applied orientation.

Given that there is currently no doctoral program in Criminology available in Ontario, individuals completing Master's level programs in Criminology who wish to pursue doctoral studies in Ontario must do so within a traditional department and do a dissertation on a criminological topic.

The University of Toronto indicates that there is a shortage of criminologically-trained people to fill academic positions within Ontario universities. The situation is acute since the substance of foreign PhD programs is often not relevant to the Canadian context. In universities, the major causes of the demand for doctoral graduates in Criminology are the development of new departments of criminology (i.e. Simon Fraser University), major expansion of existing

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1. University of Toronto, Request for Formula Funding for the Doctoral Program in Criminology at the University of Toronto, August 10, 1988, Appendix I.

departments of criminology (i.e. University of Ottawa), and the burgeoning of criminology as a specialization within sociology at most Canadian universities.<sup>2</sup>

Graduates of this program would also fill needs for criminology research specialists within the federal, provincial and municipal governments and private consulting firms.

At the federal level, graduates would be employed in research and policy units of the Ministry of the Solicitor General and the Department of Justice. Federal agencies such as Correctional Services, the National Parole Board, the Law Reform Commission, RCMP and the Canadian Centre for Justice Statistics also employ persons trained in criminology.<sup>4</sup>

Within the Ontario government, the Ministry of the Attorney General has expanded its employment of criminologists in research, statistical and policy analyst positions. Employment opportunities for graduates of the program also exist within ministries such as Correctional Services, the Solicitor General and Community and Social Services.<sup>5</sup>

Within the private sector, the expansion of consulting firms that provide criminological research, particularly for government ministries, has paralleled the growth of demand for criminological expertise in government.

The establishment of this program clearly meets a growing demand for criminologists within the policy and planning areas of government departments involved in the criminal justice system and within universities in Ontario and Canada.

The University of Toronto projects an enrolment in the program of three to five students per year and an eventual steady-state enrolment of 12 to 16 students by 1992-93.<sup>6</sup>

In 1987, the University of Toronto had almost 400 undergraduates registered as "majors" in the Criminology program offered by Woodsworth College. At the Master's level, enrolment in the criminology program at the University of Toronto is strong at 22 students in 1987-88; an increase of 15 full-time students

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2. Letter from Dr. D.W. Lang, Assistant Vice-President (Planning) and University Registrar, University of Toronto, to Dr. H.V. Nelles, Interim Chairman, Ontario Council on University Affairs, December 22, 1988, Attachment, p. 10.
  3. In an attempt to rectify the shortage of criminologists in the mid 1970's the Ministry of the Solicitor General established a program of contributions to Canadian Centres of Criminology, with one of the objectives being to develop research manpower in criminology.
  4. Ibid.
  5. Ibid., p. 2.
  6. Telephone conversation with School of Graduate Studies Office, University of Toronto, November 21, 1988.

from 1985-86.<sup>7</sup> The University of Toronto notes that each year 3 to 4 graduates of the MA Criminology program express a desire to pursue a doctoral program in Criminology. The University of Ottawa also offers an academic and professional master's degree program in Criminology with 1987-88 enrolment levels of 26 full-time and 38 part-time students. These programs would appear to provide a pool of potential doctoral students sufficient to make the University of Toronto's enrolment projections realizable.

The Committee is satisfied that there is both a societal need and student demand for this program.

**3. Uniqueness**

The proposed program would be unique in Ontario.

**4. Aims, Objectives and Existing Strengths**

The proposed program would be offered within the existing Centre of Criminology at the University of Toronto and was designed to build upon the MA program in Criminology. The Centre of Criminology has sustained an international reputation for research and teaching in Criminology in Canada.

The program will benefit from the University of Toronto's related strengths in law, sociology, psychology, psychiatry, and political science.

The University of Toronto has the necessary library and faculty resources to mount the program and it is included in the University's Five-Year Graduate Plan.

The Committee is satisfied that the proposed PhD in Criminology is consistent with the aims, objectives and existing strengths of the University of Toronto.

**5. Funding**

The Committee, therefore, recommends to Council that:

enrolment in the Doctor of Philosophy program in Criminology at the University of Toronto be recommended by Council for funding eligibility.

Academic Advisory Committee  
January 13, 1989

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7. Ontario Council on Graduate Studies/Council of Ontario Universities, Macroindicator Data 1987-88, p. 125.

**Master of Science In Epidemiology (MSc)**  
**University of Ottawa**  
**New Graduate Program Considered for Funding Eligibility**

On July 29, 1988, the University of Ottawa requested that Council consider its new Master of Science program in Epidemiology for funding eligibility. Council, according to established procedures, referred the program to its Academic Advisory Committee. The Committee's findings, resulting from the application of Council's criteria for funding eligibility, are summarized below.

**1. Academic Appraisal**

The Council of Ontario Universities has certified that on November 20, 1987, this program passed a rigorous academic appraisal conducted by the Ontario Council on Graduate Studies. At the time of appraisal it was noted that a report must be submitted by January 1, 1990 documenting the development of the program in two specific areas.

It is the opinion of the Academic Advisory Committee that the matters to be reviewed in that report do not indicate that the program required improvement. The Committee, therefore, is satisfied that the program meets Council's first criterion for funding eligibility.

**2. Need**

The Master of Science program in Epidemiology is a two year program emphasizing research methods in epidemiology. Graduates of the program would be capable of providing epidemiological research services in a variety of organizations with responsibilities for health promotion and disease prevention, defining determinants of health and disease and program development and evaluation. Recent federal and provincial reports<sup>1</sup> indicate a need for extensive research programs related to health promotion and disease prevention, the improvement of health data and the development of better health indicators.

This increasing demand for epidemiological research skills has been thwarted by a severe shortage of capable researchers.

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1. Epp, J. Achieving Health for All: A Framework for Health Promotion. Ottawa: Supply and Services Canada, 1986;

Health Review Panel. Toward a Shared Direction for Health in Ontario. Toronto: Government of Ontario, 1987.;

Health Goals Panel. Health for All Ontario. Toronto: Ministry of Health, 1987.; and

Minister's Advisory Group on Health Promotion. Health Promotion Matters in Ontario. Toronto: Ministry of Health, 1987.



Statistics Canada states:

We have always found it difficult to staff our professional positions with qualified personnel. Also a number of our professional staff have wanted to upgrade their skills and qualifications but have been unable to because of a lack of facilities. Your programme in epidemiology will be a valued asset.<sup>2</sup>

The Committee was impressed with the evidence of support for this program, and strong indications that graduates of the program would be sought out for employment. For example, a letter from the Health Services and Promotion Branch of Health and Welfare Canada suggests:

...that the skills developed in such a program are pertinent to the work that we do. We would in fact be pleased to consider graduates from such a program for research positions and perhaps even programme manager positions as they become available. Alternatively, we would consider people with such skills for contractual work. In addition, many of our existing staff could benefit from enrolling in such a programme especially if it could be done on a part-time basis. Moreover, we have access to a great deal of data that could be made available to students for secondary analysis.<sup>3</sup>

Similar indications of the need for and support of this program were received from the International Development Research Centre, the Laboratory Centre for Disease Control, Health and Welfare Canada; the Canadian Hospital Association; the Canadian Public Health Association; and the Canadian Medical Association. The program was also reviewed and supported by the Ontario Ministry of Health.

Demand for the program is expected to come from physicians in the Ottawa region, and employees of government and health organizations who have a background in life science or social sciences.

In the Fall of 1988, the University of Ottawa admitted four full-time and two part-time students to the program. A steady-state enrolment of ten students is anticipated, assuming an enrolment of five students per year of the program.

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2. Letter from Mr. J. Silins, Chief, Vital Statistics and Disease Registries Section, Health Division, Statistics Canada, to Dr. P. Laberge, Dean, School of Graduate Studies and Research, University of Ottawa, August 17, 1988.
  3. Letter from Dr. I. Rootman, A/Director, Program Resources Division, Health Promotion Directorate, Health Services and Promotion Branch, Health and Welfare Canada to Dr. P. Laberge, Dean, School of Graduate Studies and Research, University of Ottawa, August 2, 1988.

The Academic Advisory Committee is satisfied that there is both a societal need and student demand for the MSc Epidemiology program at the University of Ottawa.

### **3. Uniqueness**

Some aspects of the Master of Science in Epidemiology program at the University of Ottawa overlap with existing programs offered by Queen's University, (MSc Community Health and Epidemiology), the University of Toronto (MSc, MHSc Community Health), the University of Western Ontario (MSc Epidemiology and Biostatistics) and McMaster University (MSc Design, Measurement and Evaluation).

The University of Ottawa argues persuasively that the acute shortage of adequately trained researchers in Ontario, and the potentially high student demand for the program override the need for uniqueness in this case. In addition, the University of Ottawa notes that its location provides students with unique research opportunities resulting from its Department of Epidemiology and Community Medicine's association with Statistics Canada, the Laboratory Centre for Disease Control, the International Development Research Centre and the Department of National Health and Welfare. Ottawa is also one of two centres in Ontario in which a Teaching Health Unit is located.

The Committee notes that this would be the only program in Ontario in which courses will be offered both in French and English and for which a thesis can be submitted in either language.

A letter from the Laboratory Centre for Disease Control substantiated the University of Ottawa's case, indicating:

... the development of the MSc program would benefit both the University and the Federal Government. First, federal employees who wish to take graduate training in epidemiology would not have to leave Ottawa to do this. Secondly, there are a wide variety of unique opportunities for graduate students to conduct epidemiologic research in collaboration with federal agencies such as our own Statistics Canada, Environment Canada, etc. Thirdly, the Federal Government has an ongoing need for epidemiologists who are bilingual and prepared to live in Ottawa. It would appear that the University of Ottawa is uniquely situated for producing such candidates.<sup>4</sup>

While acknowledging that this program will to some degree duplicate others in the province, the Committee considers this duplication justifiable, given

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4. Letter from Dr. D. Wigle, Chief, Surveillance and Risk Assessment, Bureau of Chronic Disease Epidemiology, Laboratory Centre for Disease Control, Health and Welfare Canada, to Dr. P. Laberge, Dean, School of Graduate Studies, University of Ottawa, August 8, 1988.

the strong evidence of a longterm and local need for graduates of such programs.

**4. Aims, Objectives and Existing Strengths**

The development of this program is consistent with the University of Ottawa's specialization in health-related program fields such as medicine, nursing, health administration and the basic sciences.

The program is included in the University's five-year graduate plan.

The Academic Advisory Committee is satisfied that this program is consistent with the aims, objectives and existing strengths of the University of Ottawa.

**5. Funding**

The Committee, therefore, recommends to Council that:

enrolment in the Master of Science program in Epidemiology at the University of Ottawa be recommended by Council for funding eligibility.

Academic Advisory Committee

December 9, 1988

**Doctor of Philosophy in Mathematics (PhD)**  
**York University**  
**New Graduate Program Considered for Funding Eligibility**

On August 3, 1988, York University requested that Council consider its new Doctor of Philosophy program in Mathematics for funding eligibility. Council, according to established procedures, referred the program to its Academic Advisory Committee. The Committee's findings, resulting from the application of Council's criteria for funding eligibility, are summarized below.

**1. Academic Appraisal**

The Council of Ontario Universities has certified that on April 22, 1988, this program passed a rigorous academic appraisal conducted by the Ontario Council on Graduate Studies and, at the time of appraisal, did not require any improvements.

**2. Need**

The Doctor of Philosophy program in Mathematics at York University is a thesis program specializing in mathematical foundations, group theory, and probability and statistical theory; areas in which York has special strengths.

In its submission, York indicates that there is a serious shortage developing with respect to individuals with doctoral degrees in mathematics and that "the dwindling rate of the number of doctoral graduates per capita of population is alarming and should be of concern to Canada generally and particularly to Ontario".<sup>1</sup>

The Coleman Report (1976), produced by the Science Council of Canada, emphasized the essential role played by the "mathematical ecosystem" connecting academic disciplines to each other and to industrial employment.<sup>2</sup> More recent reports catalogue the shortage of mathematical graduates, indicating that "the field is not renewing itself."<sup>3</sup> York adds that:

Statistics collected by the American Mathematical Society indicate that the "per capita" number of mathematics Ph.D.'s produced in

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1. York University, Request for Formula Funding - Doctoral Program in Mathematics, August 3, 1988, p. 1.
  2. York University, Faculty of Graduate Studies, Request for Formula Funding - Doctoral Program in Mathematics, August 10, 1988, p. 3.
  3. *Ibid.*, quoting the David Report "Renewing U.S. Mathematics: Critical Resource for the Future", (National Research Council's Ad Hoc Committee on Resources for the Mathematical Sciences, 1984).



Canada is about 60% of the U.S. figure, which in light of the conclusions of the David Report is alarming indeed.<sup>4</sup>

York notes that there is no recent Canadian overview of the situation; however, the job market is again becoming a continental one, making American trends and shortages equally relevant to Canadian circumstances.

Pending faculty retirements in mathematics departments at Canadian and American universities will exacerbate the shortage of mathematicians qualified at the doctoral level since the current level of production of PhD's will not keep pace with the need for faculty renewal.<sup>5</sup> York notes that universities throughout Canada and the United States have experienced significant difficulty recruiting new faculty members, particularly statisticians.<sup>6</sup>

An examination conducted by York University of the increasing number of advertisements soliciting applicants for academic positions in mathematics in issues of the Notices of the American Mathematical Society, revealed that there were 35 such positions advertised in 1978; 53 in 1980; 89 in 1984; and 140 in 1988.<sup>7</sup>

The Committee notes that student demand for doctoral programs in mathematics in Ontario is currently strong. Macroindicator Data for the years 1983-84 to 1987-88 reveal a 26% increase in enrolment in doctoral mathematics programs (an increase from 151 to 190 full-time students over that period). Part-time enrolments over the same period declined from 24 to 17 students. The Committee also notes that the number of degrees awarded over this period have fluctuated between 19 and 38 graduates per year, with an average graduation rate of 30 students per year over the five-year period.<sup>8</sup>

Enrolment levels in mathematics at the master's level also suggest a growth in student demand from 138 students enrolled in 1985-86 to 179 students in 1987-88.<sup>9</sup> It is anticipated that recent changes in the Ontario high school curriculum, which will emphasize mathematics and the sciences, will further stimulate the demand for post-secondary education in mathematics up to and

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4. Ibid., p. 3.

5. Ibid., p. 4.

6. Ibid.

7. Ibid.

8. Ontario Council on Graduate Studies/Council of Ontario Universities, Macroindicator Data 1987-88, p. 322.

9. Ibid., p. 324.

including the doctoral level.<sup>10</sup>

York indicates that three students were admitted to its PhD Mathematics program in the Fall of 1988. The projected total steady-state enrolment in the program is between 10 and 12 FTE students, to be achieved by 1992-93.

The Committee notes that the fields in which York proposes to concentrate its offerings are Foundations (Set Theory and Category Theory); Combinatorial Group Theory; and Probability and Statistical Theory. These programs would also meet a need in Ontario for doctoral programs of study which are either unavailable or for which demand in the field is growing and another program in the province is warranted.<sup>11</sup>

After careful consideration of this proposal, the Committee is satisfied that there is both a societal need and student demand for this program.

### **3. Uniqueness**

Doctoral-level programs in mathematics are currently available at Carleton-Ottawa (joint program), McMaster, Queen's, Toronto, Waterloo, Western and Windsor universities. Despite an apparent wealth of doctoral programs, the Committee is satisfied that the York program does not duplicate the existing array of programs in any significant way.

York notes that it is the only university in Canada with concentrated strength in combinatorial group theory, and that only two American, one British and two Russian universities offer comparable programs.<sup>12</sup> York indicates that it is also the only university in Canada which has major strength in both set theory and category theory.<sup>13</sup>

The Committee is aware that some overlap exists with other Ontario universities in the field of probability and statistical theory. However, it is clear that the research being conducted at York is unique and that York has faculty members with unique research pursuits.

The Committee is satisfied that any duplication of existing programs by the York PhD mathematics program is limited and justifiable.

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10. Op. cit., p. 6.

11. Letters from the University of Toronto, January 9, 1989, The University of Waterloo, January 3, 1989, The University of Western Ontario, January 5, 1989, The University of Windsor, January 11, 1989, Queen's University, January 3, 1989.

12. York University, op. cit., p. 7.9

13. Ibid.

4. Aims, Objectives and Existing Strengths

The Committee is convinced of York's serious commitment to the promotion of teaching and research excellence in the field of mathematics. York has offered a masters program for the past 20 years, which in terms of enrolment is one of the largest in the province and which was recently deemed to be of good quality (category "a") by the Ontario Council on Graduate Studies.

In keeping with York's policy on bilingualism, students may submit work in either of Canada's two official languages.<sup>14</sup> The program is included in York's five-year graduate plan and its development is consistent with the York University Academic Plan (1987).

The Committee is satisfied that the Doctor of Philosophy in Mathematics program is consistent with the aims, objectives and existing strengths of York University.

5. Funding

The Committee, therefore, recommends to Council that:

enrolment in the Doctor of Philosophy program in Mathematics at York University be recommended by Council for funding eligibility.

Academic Advisory Committee

January 13, 1989

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14. York University, op. cit., p. 10.

**Master of Music (MMus)**  
**University of Ottawa**  
**New Graduate Program Considered for Funding Eligibility**

On July 29, 1988, the University of Ottawa requested that Council consider its new Master of Music (MMus) program for funding eligibility. Council, according to established procedures, referred the program to its Academic Advisory Committee. The Committee's findings, resulting from the application of Council's criteria for funding eligibility, are summarized below.

**1. Academic Appraisal**

The Council of Ontario Universities has certified that on February 19, 1988, this program passed a rigorous academic appraisal conducted by the Ontario Council on Graduate Studies and, at the time of appraisal, did not require any improvements.

**2. Need**

The Master of Music program consists of two streams - one leading to a thesis in musicology or theory and the other leading to performance in chamber music. A thesis or performance recital is required for graduation.

The program is based upon the philosophy "that performance and scholarship can and should be united and it actively develops those research skills needed not only by the musician-scholar but also by the performer."<sup>1</sup> The program is bilingual. Students must fulfill certain requirements to demonstrate a "substantial degree of bilingualism."<sup>2</sup>

The University of Ottawa argues that thesis students will be equipped to write about music as well as to teach and to research in both of Canada's official languages. Alternatively, the chamber music performance stream will train students to fill the growing demand for concerts and broadcasts of chamber music. Evidence of the chamber ensemble's growing popularity is provided by a representative of the Ontario Arts Council, who states:

I see the performance opportunities for chamber musicians increasing year by year. Chamber music is an important and growing field and is one which we are trying to encourage in its growth and expansion. Obviously with new performance

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1. University of Ottawa, Department of Music, Master's Programme in Music-Funding Criteria, July 29, 1988, p. 1.

2. Ibid.



opportunities for chamber musicians opening up across the province, it is a viable area in which to educate musicians at the master's level.<sup>3</sup>

The Canadian University Music Society provided another perspective on the need for graduates of the program, stating:

So much of the music training being conducted in Canada is geared toward entertainment rather than art music, that orchestras are having a difficult time locating classically trained performers with skills sufficient to play the orchestral repertoire well. Any choosing chamber music as a field for graduate study must be committed to performance excellence and there is no better way to refine one's performance, than as a chamber player. There's no question that this program fills a distinct societal need.<sup>4</sup>

Other letters in support of the program were received from the Canadian Broadcasting Corporation and the National Arts Centre.

This program will also meet a need for a graduate-level music program which can be followed in French. The University of Ottawa notes that within the music department there is a special emphasis on research in the field of French music.

Furthermore, the program will fulfill a regional need for a master's level music program to serve the most easterly part of the province.

Finally, as thesis graduates will be prepared to write about music and to teach and research in both official languages, they will have the potential to fill the positions of the many music professionals in Canada who will reach the normal retirement age between 1986 and 1995.<sup>5</sup>

The University indicates that thirteen students auditioned and were interviewed for admission to the program which began in September 1988. Applications were received from across Canada and from Switzerland and Korea. Five students were admitted initially, of whom three were anglophone and two were francophone. Two more students have been conditionally accepted for

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3. Letter from Ms. Susan Freeman, Touring Consultant, Eastern Region, Ontario Arts Council to Mr. Paul Merkley, Director of Graduate Studies, Music Department, University of Ottawa, July 27, 1988.

4. Letter from Dr. Gordon K. Greene, Past President, Canadian University Music Society to Dr. H.V. Nelles, Interim Chairman, Ontario Council on University Affairs, January 13, 1989.

5. The University of Ottawa submission of July 29, 1988, indicates that at the 1987 Annual Conference of the Canadian University Music Society it was noted that one half of the current music professoriate are expected to retire between 1986 and 1995, p. 2.

admission in September 1989. Both these students are francophones.<sup>6</sup>

The University of Ottawa expects to enrol five students in the musicology/theory stream and 15 students in the chamber music stream in the steady state for a total enrolment in the program of 20 students.

The Committee is satisfied that there is a societal need and student demand for the Master of Music program.

### **3. Uniqueness**

The University of Ottawa argues that this program is unique in four distinct ways. First, it provides basic research skills to both thesis and performance students. Second, the academic and performance components are linked together in such a way that students may pursue elective credits in either area so that the expertise of performers, theorists and musicologists are pooled to study performance problems. Third, this is the only master's program in chamber music in Ontario and in Canada. Finally, it will be the first master's program in music in Ontario to be offered in French and to specialize in French music.<sup>7</sup>

The Committee is satisfied that the program is unique.

### **4. Aims, Objectives and Existing Strengths**

The development of the Master of Music program reflects the University of Ottawa's commitment to the preservation and development of French culture in Ontario and the furthering of bilingualism and biculturalism.

The program is based on existing teaching and research strengths at the undergraduate level, where Bachelor of Music and BA Honours Music programs are offered.

The University of Ottawa is currently constructing a six million dollar music building designed especially to accommodate the needs of the master's program.

The program is included in the University's five-year graduate plan.

The Committee is satisfied that the Master of Music program is consistent with the aims, objectives and existing strengths of the University of Ottawa.

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6. Letter from Dr. Antoine D'Iorio, Rector, University of Ottawa to Dr. H.V. Nelles, Interim Chairman, OCUA, January 10, 1989.

7. University of Ottawa, op. cit., pp. 4-5.

5. **Funding**

The Committee, therefore, recommends to Council that:

enrolment in the Master of Music program at the University of Ottawa be recommended by Council for funding eligibility.

Academic Advisory Committee

January 13, 1989

**Master of Science in Occupational Therapy (MSc)**  
**University of Western Ontario**  
**New Graduate Program Considered for Funding Eligibility**

On July 15, 1988, the University of Western Ontario requested that Council consider its new Master of Science program in Occupational Therapy for funding eligibility. Council, according to established procedures, referred the program to its Academic Advisory Committee. The Committee's findings, resulting from the application of Council's criteria for funding eligibility, are summarized below.

**1. Academic Appraisal**

The Council of Ontario Universities has certified that on June 24, 1988, the program passed a rigorous academic appraisal conducted by the Ontario Council on Graduate Studies. The Academic Advisory Committee notes that the Ontario Council on Graduate Studies requires a report on the development of the program to be submitted by October 31, 1990.

The Committee has reviewed the requirements of the report<sup>1</sup> with the University and is satisfied that the program meets Council's first criterion.

**2. Societal Need**

The Master of Science program in Occupational Therapy is a two-year program based on the "scientist-practitioner" model, and requires a thesis.

A series of recent Federal and Provincial reports clearly document the need for graduate programs in occupational therapy. A Ministry of Health report entitled Health Manpower in Ontario (1980), specifically noted that:

Although there are generally sufficient entry level occupational therapists entering the workforce each year, there continues to be a serious shortage of occupational therapists with advanced degrees and experience who are qualified to fill supervisory, educational and research positions, as well as sole charge positions, which are becoming more numerous as the field of occupational therapy expands. The need in the occupational therapy profession is not for entry level education programs but rather for a Master's degree program at an Ontario university to prepare occupational therapists for senior roles. In other words, there is a need in Ontario for a post-graduate program in occupational therapy to educate occupational therapists to fill

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1. Letter of May 18, 1988 from Dr. Maurice Yeates, Executive Vice-Chairman, OCGS to Dr.G. Mogenson, Dean, Faculty of Graduate Studies, University of Western Ontario.



supervisory and research positions.<sup>2</sup>

In 1986, the Associate Committee of the National Research Council on Research and Development for Rehabilitation of Disabled Persons reiterated the conclusions of the Health Manpower in Ontario report, and highlighted the need to train researchers in rehabilitation areas where serious deficiencies exist, including such areas as vocational rehabilitation, physiotherapy, and occupational therapy.<sup>3</sup>

Most recently, the Joint Working Group on Rehabilitation Manpower (1988) which is composed of representatives from the Ministry of Health, the Ministry of Colleges and Universities and the Council of Ontario Universities, reviewed the requirements for rehabilitation manpower in Ontario. The Joint Working Group concluded that the increased demand for rehabilitation professionals has occurred as a result of expanding institutional and community rehabilitation programs, and the development of new programs, particularly for the elderly and disabled. The growth of home care and the availability of new technologies have also been identified as factors stimulating the demand for rehabilitation services.

This group noted that vacant rehabilitation positions were in evidence across the province, with the highest vacancy rate occurring in the northeast. Despite a 9.1% increase in the number of full-time-equivalent occupational therapy positions between 1984-85 and 1985-86, the vacancy rate for occupational therapy positions which were vacant for 60 days or more was 5.1%.<sup>4</sup>

Evidence of societal need for the program provided by the Ontario College of Occupational Therapists indicated a need to create more therapists with research training who will remain in the profession long enough to contribute to the knowledge base of treatment methods:

... one of the difficulties facing our profession is the attrition rate of experienced therapists. This loss likely occurs due to two reasons. First, upward mobility is limited in the profession and second, those who are trained at a graduate level frequently do so in a related field and may be lost to pursue work in that other area. Thus, a master's program which is specific to occupational therapy will provide greater mobility and breadth of experience for

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2. University of Western Ontario, Application for Approval of Funding of a Masters Program in Occupational Therapy at the University of Western Ontario, July 15, 1988, p. 1. quoting from Ontario Ministry of Health, Strategic Research and Planning Branch, Health Manpower in Ontario, 1980.
  3. University of Western Ontario, Application for Approval of Funding of a Masters Program in Occupational Therapy at the University of Western Ontario, July 15, 1988, p. 1.
  4. Ministry of Colleges and Universities, Ministry of Health, Council of Ontario Universities, Report of the Joint Working Group on Rehabilitation Manpower, April 1988, Executive Summary, pp. 1 and 2.

the graduate trained therapist. It is one component of decreasing the attrition rate that we now have.<sup>5</sup>

The Canadian Association of Occupational Therapists also provided a strong argument for the development of a master's level program:

The Association has published a position paper on the subject of graduate education. In addition, in recent briefs presented to the Federal/Provincial Advisory Committee on Health Human Resources (July 1987) on Rehabilitation Personnel and the Standing Committee on Health and Welfare of the House of Commons on the Occupational Therapy Perspective of the Health Care System, considerable emphasis has been placed on the need for graduate programs and clinical research. Without Canadian graduate programs in occupational therapy, research will proceed slowly and with difficulty. In addition, the increased needs for undergraduate places will be severely limited if appropriately qualified Canadians are not available for faculty positions. The only graduate program in occupational therapy is at the University of Alberta. Four other universities offer graduate work in Health Sciences disciplines but it is still the case that the brightest and best of our graduates are often attracted either south of the border or to other disciplines.<sup>6</sup>

The Academic Advisory Committee notes that this program was also strongly supported by the Ministry of Health.<sup>7</sup>

The University of Western Ontario plans to begin admitting students to the master's program in occupational therapy in the Fall of 1989. To date, the University has had 25 inquiries about the program from potential applicants. Twelve of these would be considered qualified applicants. The University of Western Ontario projects an enrolment of three students in Year 1 of the program, 1989-90, with enrolment increasing to a steady-state of 10 students by Year 3, 1991-92.

Student demand is expected to come from undergraduates wishing to go directly to a graduate program and from practicing clinicians who have not had prior opportunity to undertake graduate study in their field.

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5. Letter from J. Miller, Chairman, Ontario College of Occupational Therapists to Dr. J. Mackinnon, Chairman, Program in Occupational Therapy, University of Western Ontario, July 11, 1988.
  6. Letter from Ms. M. Brockett, Executive Director, Canadian Association of Occupational Therapists to Dr. G. Mogenson, Dean of Graduate Studies, University of Western Ontario, July 11, 1988.
  7. Letter from the Ministry of Health to the Ministry of Colleges and Universities, November 22, 1988, p. 3.

The Committee is convinced of the societal need and student demand for this program.

**3. Uniqueness**

The Master of Science program in Occupational Therapy proposed by the University of Western Ontario is unique in Ontario and is the second program of its type in Canada.

**4. Aims, Objectives and Existing Strengths**

The University of Western Ontario has existing strength in a wide variety of health science disciplines at the graduate and undergraduate level. Specific strengths exist in occupational therapy at the undergraduate level where 111 students are currently enrolled.<sup>8</sup>

The program is consistent with the University's aims, objectives and existing strengths in the health science disciplines and is included in the University's five-year graduate plan.

The Academic Advisory Committee considers the proposed MSc Occupational Therapy program to be entirely consistent with the aims, objectives and existing strengths of the University of Western Ontario.

**5. Funding**

The Academic Advisory Committee, therefore, recommends to Council that:

enrolment in the Master of Science program in Occupational Therapy at the University of Western Ontario be recommended by Council for funding eligibility.

Academic Advisory Committee  
January 13, 1989

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8. Letter from Dr. G. Mogenson, Dean of Graduate Studies, University of Western Ontario, to Ms. D. Royce, Research Officer, Ontario Council on University Affairs, December 5, 1988, p. 2. (Fall 1988 enrolment)

**Master of Science in Rehabilitation Therapy (MSc)**  
**Queen's University**  
**New Graduate Program Considered for Funding Eligibility**

On July 28, 1988, Queen's University requested that Council consider its new Master of Science program in Rehabilitation Therapy for funding eligibility. Council, according to established procedures, referred the program to its Academic Advisory Committee. The Committee's findings, resulting from the application of Council's criteria for funding eligibility, are summarized below.

**1. Academic Appraisal**

The Council of Ontario Universities has certified that on February 19, 1988 this program passed a rigorous academic appraisal, conducted by the Ontario Council on Graduate Studies. The Academic Advisory Committee notes that a report on the development of the program must be submitted to the Ontario Council on Graduate Studies by January 1, 1990. It is the opinion of the Academic Advisory Committee that the matters to be reviewed in this report do not indicate that the program required improvement. The Academic Advisory Committee, is satisfied therefore, that the program meets the first criterion for funding eligibility.

**2. Need**

The proposed MSc Rehabilitation Therapy program is a research-oriented program which will provide opportunities for the evaluation of current professional practice and the development of therapies through the study of life and behavioural sciences.<sup>1</sup> The two-year program offers a common core of courses in Rehabilitation Therapy and the development of specialized study and research skills within the field of rehabilitation therapy.<sup>2</sup> The program culminates with a thesis.

In its submission, Queen's University notes that in 1983 the National Research Council Associate Committee identified eight research areas that required investigation in Canada. These areas were community rehabilitation, evaluation of rehabilitation, outcome studies, the prevention, demography, and economics of disability, vocational rehabilitation and rehabilitation systems delivery

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1. Queen's University, Request for Formula Funding Eligibility, Master of Science in Rehabilitation Therapy, July 28, 1988, p. 1.

2. Ibid.



processes.<sup>3</sup> After a period of consultation, the National Research Council Associate Committee concluded that there was a need to increase the number of competent researchers in the rehabilitation field. This need was again emphasized by the Associate Committee in 1986.<sup>4</sup>

A lack of competent, trained researchers in the various rehabilitation disciplines has caused only a limited amount of research to be done within Ontario universities to date.<sup>5</sup> Queen's University argues that the proposed Master of Science program in Rehabilitation Therapy will "contribute to the production of competent researchers in rehabilitation therapy and stimulate the development of research in that area".<sup>6</sup> The Queen's argument is supported by the Canadian Physiotherapy Association which notes that "there is a growing number of physiotherapists in this province who wish to pursue graduate education in the field of Rehabilitation".<sup>7</sup>

Further evidence of the need for the proposed program was provided by the Canadian Association of Occupational Therapists who indicated the following:

Graduate education has long been established as a key issue for the profession of occupational therapy in order to develop the body of research upon which the theoretical framework and models of practice are based, as well as to generate qualified personnel to teach undergraduate programs in Canada and consultants in clinical specialties.<sup>8</sup>

Additional letters providing evidence of the need for the proposed program were received from the Canadian Physiotherapy Association, The Belleville General Hospital and the Kingston, Frontenac, and Lennox and Addington Health Unit Home Care Program. The program was also strongly supported by the Ministry of Health.<sup>9</sup>

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3. Ibid., p. 2, citing National Research Council Associate Committee on Research and Development for Rehabilitation of Disabled Persons. Bulletin No. 8 (December, 1987).
  4. Queen's University, op. cit., p. 2.
  5. Ibid., p. 3.
  6. Ibid.
  7. Letter from Dr. A. Scott, Education Director, Canadian Physiotherapy Association to Dr. D. Canvin, Dean of Graduate Studies, Queen's University, July 20, 1988.
  8. Letter from Ms. Wilkins, President, Canadian Association of Occupational Therapists to Dr. D. Canvin, Dean, School of Graduate Studies and Research, Queen's University, February 26, 1986.
  9. Letter from Mr. D.W. Corder, Assistant Deputy Minister, Planning and Programs, Ministry of Health, November 22, 1988, p. 1.

Graduates of the program would find employment in the clinical field, in research institutes, university teaching and research positions, and with a variety of government and health-related agencies.<sup>10</sup>

The first student was enrolled in the program in the Fall of 1988. The University plans to admit only six students per year for a steady-state enrolment of 12 students.

The Academic Advisory Committee is satisfied that there is a demonstrable societal need for this program and that the student demand for the program will be strong and long-term in duration.

### **3. Uniqueness**

The proposed program will admit occupational therapists and physical therapists. This is a unique approach. Traditionally, graduate programs in the rehabilitation fields have been specific to one of these disciplines.

Individual master's programs in Physical and Occupational Therapy at the University of Western Ontario are the only graduate programs in rehabilitation currently available in the Province. The Queen's University program in Rehabilitation Therapy involves a unique combination of the two therapies. Where duplication of the existing individual courses at the University of Western Ontario occurs, the Committee believes it to be justifiable.

### **4. Aims, Objectives and Existing Strengths**

The proposed program is consistent with Queen's University's existing undergraduate strengths in rehabilitation therapy and in medicine, nursing and health sciences. The program is included in Queen's University's five-year graduate plan.

The Committee believes that the proposed MSc program in Rehabilitation Therapy is consistent with the aims, objectives and existing strengths of Queen's University.

### **5. Funding**

The Committee, therefore, recommends to Council that:

enrolment in the Master of Science program in Rehabilitation Therapy at Queen's University be recommended by Council for funding eligibility.

Academic Advisory Committee

November 25, 1988

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10. Queen's University, Ibid., p. 3.

**Master of Arts In Spanish (MA)**  
**University of Ottawa**  
**Existing Graduate Program Considered for Funding Eligibility**

On July 29, 1988, the University of Ottawa requested that Council consider its existing Master of Arts program in Spanish for funding eligibility. Council, according to established procedures, referred the program to its Academic Advisory Committee. The Committee's findings, resulting from the application of Council's criteria for funding eligibility, are summarized below.

**1. Academic Appraisal**

The Council of Ontario Universities has certified that on July 16, 1985 this program had passed a rigorous academic appraisal, (Periodic Appraisal) conducted by the Ontario Council on Graduate Studies and was deemed to be of good quality (category "a"), and at the time of appraisal was not found to require any improvement.

**2. Need**

The objective of the Master of Arts program in Spanish is to produce "graduates who are well versed in the language and culture of the Spanish-speaking world".<sup>1</sup>

The University also argues that beyond this, the University of Ottawa trains students "who are effectively trilingual and therefore sensitive not just to the traditions and current realities of Spanish-speaking countries but also to the bicultural heritage of Canada itself".<sup>2</sup>

Evidence provided by the University of Ottawa indicates that graduates of the program have been employed in a variety of professions which require a proficiency in Spanish and in numerous positions with the federal government where English, French and Spanish language proficiency is required, or have gone on to pursue Spanish studies at the doctoral level.<sup>3</sup>

Specific examples of positions held by recent graduates include administrator/guide, National Archives and Secretary of the Committee des Archives de l'Institut Panamericaine de Géographie et d'Histoire; proof-reader, Prime Minister's Office, Correspondence Department; part-time Spanish teacher,

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1. University of Ottawa, Request to Ontario Council on University Affairs for Funding for the M.A. Programme in Spanish at the University of Ottawa, July 29, 1988, p. 1.

2. Ibid.

3. Letter from Dr. A. D'Iorio, Rector and Vice-Chancellor, University of Ottawa to Dr. H.V. Nelles, Interim Chairman, Ontario Council on University Affairs, January 12, 1989, Table I and II.

Ridgemont High School; Spanish Professor, University of Western Ontario; Erasmus Project, European Common Market; Trilingual Translator, Secretary of State; and Spanish Teacher, Algonquin College.<sup>4</sup> The University of Ottawa concludes:

Although the above figures indicate the societal need for an M.A. in Spanish from the bilingual University of Ottawa, it would appear that in a wider context in a bilingual country with an ever-growing Spanish-speaking population and with ever-increasing commercial and cultural ties with the 300 million Spanish speakers in this continent and in Europe, a good knowledge of the Spanish language and culture, such as is gained by our M.A. Spanish graduates, is an undoubted asset in the marketplace. It seems clear that employers do consider it an obvious advantage.<sup>5</sup>

The Academic Advisory Committee notes that there are currently five institutions offering Masters of Arts programs in Spanish: Carleton, Ottawa, Queen's, Toronto, and Western Ontario. The Committee notes that the 1987-88 Macroindicator Data indicate that the program at the University of Ottawa is the second largest program in the system (6 full-time and 5 part-time students). The University of Western Ontario program is slightly larger (7 full-time and 8 part-time students) and the University of Toronto program is slightly smaller (6 full-time and 4 part-time students).<sup>6</sup>

The Committee also notes that in 1987-88, the University of Ottawa program received significant external funding support from federal sources of peer-adjudicated and group grants (\$41,000) and other grants for a total of \$74,000 worth of peer-adjudicated and group grants. This constitutes over 81% of all grants of this type obtained by MA Spanish programs in Ontario in 1987-88.<sup>7</sup>

The Academic Advisory Committee explored with the University of Ottawa, the development of a joint Ottawa-Carleton University MA Spanish program. The University of Ottawa indicated that the Spanish departments of the two institutions are presently discussing the possibility of a joint program at the PhD level. The University of Ottawa responded as follows:

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4. Ibid.

5. Ibid., p. 6.

6. Council on Ontario Universities, Ontario Council on Graduate Studies, Macroindicator Data 1987-88, pp. 100-101.

7. Ibid., pp. 104-105.



If the current discussions eventually lead to the creation of a joint Ph.D. programme, the two universities could then consider the possibility of combining their MA programmes as well. Our feeling is that it is more prudent for both Departments to begin with a collaborative venture at the doctoral level, where each one stands to benefit directly, than to opt at this stage for a gratuitous fusion at the M.A. level.<sup>8</sup>

The Committee accepts that both Departments are currently in a position to offer "good" MA Spanish programs.<sup>9</sup> However, the Committee strongly encourages the development of one "strong joint program" in Spanish to serve the Ottawa region.

The Committee is satisfied that the MA Spanish program, offered for the past 9 years by the University of Ottawa, meets Council's criteria for societal need and student demand.

### 3. Uniqueness

The University of Ottawa program is not, strictly speaking, unique compared to the other four master's level Spanish programs in the system.

The University of Ottawa notes that all graduates of the University's BA program in Spanish are required to satisfy a bilingual requirement. The University concludes that "all students who hold a BA in Spanish from the University of Ottawa and who complete our M.A. programme are therefore trilingual."<sup>10</sup> Since 1984, 75% of the graduates have been trilingual using this definition. Ottawa indicates that "Many of the remainder take advantage of the opportunities available at the University of Ottawa to become proficient in one or both official languages."<sup>11</sup>

Although the Committee acknowledges that this program is not unique, it is satisfied that the University of Ottawa program offers students a uniquely bilingual university environment which is not available elsewhere. The Committee believes that the strong student demand for this particular program and evidence of a significant level of external support overrides the requirement that the program be unique.

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8. Letter from the University of Ottawa, op. cit., January 12, 1989, p. 7.

9. The MA Spanish, Carleton University was appraised by the Ontario Council on Graduate Studies and classified as a program of "good quality" (category "a") with no report required, October 21, 1983.

10. Letter from Dr. A. D'Iorio, Rector and Vice-Chancellor, University of Ottawa, to Dr. H.V. Nelles, Interim Chairman, Ontario Council on University Affairs, January 12, 1989, p. 7.

11. Ibid.

**4. Aims, Objectives, and Existing Strengths**

The University of Ottawa has significant existing strength in the fields of modern languages, linguistics and translation at the undergraduate and graduate level.

The program has been in place since 1981 and has consistently attracted between six and eight full-time students per year since 1984.

The program is included in the University's five-year graduate plan.

The Committee believes that the MA program in Spanish at the University of Ottawa is consistent with the aims, objectives and existing strengths of the University in the field of modern languages.

**5. Funding**

The Committee, therefore, recommends to Council that:

enrolment in the Master of Arts program in Spanish at the University of Ottawa be recommended by Council for funding eligibility.

Academic Advisory Committee

January 13, 1989

**Doctor of Philosophy in Systematic Musicology (PhD)**  
**University of Western Ontario**  
**New Graduate Program Considered for Funding Eligibility**

On August 13, 1987, the University of Western Ontario requested that Council consider its new Doctor of Philosophy program in Systematic Musicology for funding eligibility. Council, according to established procedures, referred the program to its Academic Advisory Committee. The Committee's findings, resulting from the application of Council's criteria for funding eligibility, are summarized below.

**1. Academic Appraisal**

The Council of Ontario Universities has certified that on November 21, 1986 this program passed a rigorous academic appraisal conducted by the Ontario Council on Graduate Studies and, at the time of appraisal, was not found to require any improvement.

**2. Need**

The University of Western Ontario indicates that the study of systematic musicology "follows a long-standing scholarly tradition, defined since Pythagoras, that considers music to be a science (or at least susceptible to scientific study) as well as an art.<sup>1</sup> The program is premised upon the scientific study of musical phenomena which includes musical analysis, musical aesthetics, psychoacoustics, and the psychology of music.<sup>2</sup>

The program emphasizes the theoretical, analytical and empirical approaches to the study of music in a historical context.

Opportunities to undertake doctoral study in academic music programs in Canada are currently limited. The universities of Toronto, Victoria and British Columbia offer traditional historical musicology programs. French-language programs are available at the universities of Montreal and Laval.<sup>3</sup> The University of Western Ontario program will permit students from Ontario and indeed from across Canada to study music at the most advanced level from a "scientific"

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1. Letter from Dr. G. Mogenson, Dean of Graduate Studies, University of Western Ontario to Miss. D. Royce, Research Officer, Ontario Council on University Affairs, March 2, 1988, Attachment p. 1.
  2. Ibid.
  3. University of Western Ontario, Application for Approval of Funding of a Doctoral Programme in Systematic Musicology, August 13, 1987, p. 1.

perspective.

The program will also meet a need for new faculty to replace the many music professors who will reach retirement age over the next decade.

According to the Canadian University Music Society (CUMS) indicated that conservative estimates suggest that 15 to 20 music historians will retire over the next five to seven years, and that thirty to forty retirements are pending by the year 2000. CUMS also noted that "more than half of the current musicological faculty will reach 65 years of age in the next 12 to 15 years."<sup>4</sup>

When asked to comment on the need for the University of Western Ontario's program CUMS stated:

Rather than undertaking a narrow musicological perspective, they have chosen a wider view that will allow them to train music theoreticians, even research-oriented music educators, as well as the more traditional musicologists. This kind of program is very valuable at this particular time in Canada, when a number of academics are approaching retirement.<sup>5</sup>

The University of Western Ontario argues that graduates of the program will be prepared to function as specialists in one of the traditional music subdisciplines as well as to shape new developments in the field through research and innovation. The University of Western Ontario indicates that graduates of the program will be qualified for positions in Departments of Musicology, Music Theory and Music Education. They would also be qualified to fill positions in unitary Departments of Music in smaller universities and in Colleges of Applied Arts and Technology. Other more limited career opportunities include librarianship, and archival maintenance, commercial publishing in the music field, music criticism in print and broadcast journalism and secondary education at senior administrative and policy levels.<sup>6</sup>

The University of Western Ontario admitted four students to the program in 1987-88 and an additional two students in 1988-89 for a total enrolment of six students. The projected steady-state enrolment of eight students will be achieved in 1989-90 through the admission of two more students. The University anticipates that the program will eventually produce two graduates per year.

In light of the evidence of the future need for graduates, the Academic Advisory Committee believes that there will be sufficient employment opportunities for graduates of this program. Given the evidence of a future need for doctoral

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4. Letter from Dr. G. Greene, Past President, Canadian University Music Society to Dr. P. Fox, Chairman, Ontario Council on University Affairs, May 24, 1988.

5. Ibid.

6. University of Western Ontario, Response to OCUA Request for Additional Information, March 2, 1988, p. 1.



graduates in music and demonstrable student demand for the program, the Academic Advisory Committee is satisfied that this program meets the criteria of societal need and student demand.

**3. Uniqueness**

The PhD in Systematic Musicology offered by the University of Western Ontario is sufficiently distinct from the PhD program offered by the University of Toronto that it satisfies the criterion of uniqueness.

**4. Aims, Objectives and Existing Strengths**

Since 1970 the University of Western Ontario has offered a full range of master's programs in music. The recent appraisal of these programs indicated that they were of good quality (category "a"), confirming Western's strength in graduate-level music programs.

The University notes that faculty involved in the doctoral program are drawn from all four departments within the Faculty of Music so that

the broadly integrative spirit of Systematic Musicology is thus able to foster and exploit research abilities and aspirations to an extent that might be more difficult to achieve with a program centered on only one departmental sub-discipline.<sup>7</sup>

The Academic Advisory Committee notes that the necessary resources are in place to offer the program and that the program is currently well underway. The Academic Advisory Committee is satisfied that the PhD in Systematic Musicology is consistent with the aims, objectives and existing strengths of the University of Western Ontario in the discipline of Music.

**5. Funding**

The Committee, therefore, recommends to Council that:

enrolment in the Doctor of Philosophy program in Systematic Musicology at the University of Western Ontario be recommended by Council for funding eligibility.

Academic Advisory Committee  
November 25, 1988

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7. University of Western Ontario, August 13, 1987, op. cit. p. 2.



# 88-XI Funding for a New Bachelor of Applied Arts Degree Completion Program in Child and Youth Care at Ryerson Polytechnical Institute

On September 9, 1988, Ryerson Polytechnical Institute requested that Council approve for funding a new Bachelor of Applied Arts degree program in Child and Youth Care (BAA). The request noted that the program,

... is intended specifically to provide access to degree level education for graduates of CAAT Child and Youth Care Diploma Programs with appropriate levels of academic achievement and work experience.<sup>1</sup>

Council has reviewed the proposed program and provides in this memorandum its advice on the matter.

## 1.0 Background

In Advisory Memorandum 84-V, Council established program funding procedures for Ryerson Polytechnical Institute. These procedures recognize the uniqueness of Ryerson's role in Ontario's post-secondary education system. Council reaffirmed at that time that Ryerson programs

...should continue to be more oriented towards the practical and the 'immediately useful' than the universities' arts and science programs.<sup>2</sup>

The funding approval mechanism outlined in Advisory Memorandum 84-V, indicated Ryerson's role in the assessment of a program's academic quality and financial viability and redefined the role of the Program Review Committee, particularly in terms of its composition, so that it more accurately reflects "the major constituencies of society".<sup>3</sup>

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1. Letter from Dr. T. Grier, President, Ryerson Polytechnical Institute, to Dr. P. Fox, September 9, 1988.
  2. Ontario Council on University Affairs, "Advisory Memorandum 80-IV, The Role of Ryerson Polytechnical Institute", Seventh Annual Report, 1980-81, p. 127.
  3. Ontario Council on University Affairs, "Advisory Memorandum 84-V, Program Funding Procedures for Ryerson Polytechnical Institute", Eleventh Annual Report, 1984-85, Pp. 145-147.

For new programs, the Program Review Committees will continue to examine such factors as anticipated student demand, employment opportunities for graduates, program uniqueness and whether or not the program is compatible with the role of Ryerson. As part of this process, the reports of the Program Review Committee, as outlined in Advisory Memoranda 78-IV and 80-III, will continue to include:

- a) a list of all institutions, organizations, agencies and corporations whose opinions on need were sought by the Committee,
- b) the formal response from those groups listed in (a), and,
- c) the judgement of the Committee based upon (b) and its own knowledge.<sup>4</sup>

Council believes that its subsequent review of new programs provides an appropriate external review.

In keeping with Ryerson's mission, Council reaffirms that the Institute's programs should continue to be related directly to the market place and should fill either a current or anticipated market need or the programs should not exist.

## **2.0 Bachelor of Applied Arts Program in Child and Youth Care (BAA)**

The proposed Bachelor of Applied Arts, Child and Youth Care program represents a new development for Ryerson and has been designed specifically to provide an opportunity for currently practising graduates of Colleges of Applied Arts and Technology diploma programs to proceed to a baccalaureate level qualification. It is the first program to be reviewed by Council in accordance with the mechanism set out in Advisory Memorandum 84-V. In keeping with these guidelines Ryerson submitted to Council the required documentation on societal need, academic quality and financial viability.<sup>5</sup> Council notes that the degree designation (BAA) is in keeping with previous advice<sup>6</sup> and believes this designation to be appropriate for the proposed program.

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4. Ontario Council on University Affairs. "Advisory Memorandum 80-III, Funding for Four New Degree Programs at Ryerson Polytechnical Institute", Seventh Annual Report, 1980-81, p.124.

5. Ryerson Polytechnical Institute, Proposal for a Post-Diploma Degree Completion Program in Child and Youth Care, September 9, 1988.

6. Advisory Memorandum 80-IV, op. cit.



## **2.1 Program Review Committee**

Because of the interdisciplinary nature of the program, the Program Review Committee was formed at the recommendation of more than one Dean. Of the nine members, seven were external to the institution. Six were directly involved in the field and there was representation from other sectors of society.

### **2.1.1 Societal Need and Student Demand**

Societal need was assessed in accordance with the mechanism outlined in Advisory Memorandum 84-V. Initially, the impetus came from the Metro Area Community Colleges and Council notes that the prerequisite for the program is a diploma from one of the 13 programs in Youth and Child Care offered in the province, as well as two years work experience.

Current and anticipated market need was determined by both an extensive external consultative process and a survey of potential employers. As required by Advisory Memorandum 84-V, the supportive documentation was included in Ryerson's submission. Council notes that, in general, the responses supported the need for a post-diploma degree program. There are no similar programs available in Ontario. Only two other programs in Canada offer a similar focus, albeit in a different format (University of Victoria and the University of Montreal). In addition, a survey of students currently enrolled in Child and Youth Care programs was conducted. The results of this survey, along with copies of student enquiries sent to the University of Victoria were used to provide the basis for the documentation on student demand. Finally, a proposed enrolment plan provided by the Academic Planning and Research Unit at Ryerson was included with the request.

The proposed program is unique among offerings at Ryerson. It is to be offered both as a 'degree completion' and a 'part-time' program. The practical nature of the program reflects the mission of Ryerson Polytechnical Institute.

## **2.2 Academic Quality**

The report of the Academic Council included the objectives of the program, the proposed curriculum, methods of instruction, admission and promotion criteria. Due to the inter-disciplinary nature of the proposed program, apart from the coordinator, all faculty will initially be cross-appointed or seconded. Also, because of the other core programs already in place, such as Early Childhood Education, Psychology and Social Work, Council is assured that basic library materials and other resources are available. If the program is approved for funding, there is an institutional commitment to upgrade these resources.

In the documentation provided to Council, Ryerson's Academic Advisory Committee notes that the balance of the professional, professionally-related and liberal arts courses within the program reflects that of similar programs at Ryerson. Further, the proposed curriculum represents a 5:1 ratio of institutional

experience to field work. This balance is consistent with other bridging programs offered by Ryerson.

Finally, Ryerson's Academic Council has attested to the academic quality of the program.

### **2.3 Assessment of Financial Viability**

Council notes that, on June 27, 1988 Ryerson's Board of Governors accepted the recommendation of the Finance Committee that the proposed program was financially viable and passed a resolution to that effect.

### **2.4 Input from Other Institutions**

Following the procedure used for reviewing university-level undergraduate quasi-professional programs, Council forwarded the program to the Council of Ontario Universities for comment. This was a departure from previous reviews of Ryerson's programs but Council believed that such comment would be useful in its deliberations. The responses from COU supported Ryerson's program proposal.

Council is satisfied that the proposal fulfils the requirements outlined in Advisory Memorandum 84-V, and further, that the new program is appropriate to the mission of Ryerson Polytechnical Institute as described in Advisory Memorandum 80-III.

Accordingly, Council *recommends to the Minister:*

*OCUA 88-38*

*ELIGIBILITY OF ENROLMENT IN THE BACHELOR OF APPLIED  
ARTS PROGRAM IN CHILD AND YOUTH CARE AT RYERSON  
POLYTECHNICAL INSTITUTE FOR FUNDING PURPOSES IN 1989-90*

*THAT, enrolment in the BAA program in Child and Youth Care  
at Ryerson Polytechnical Institute be counted as eligible BIUs  
for funding purposes beginning in 1989-90.*

Dr. H.V. Nelles  
Interim Chairman

February 17, 1989

## **OCUA Public Meetings 1988-89**





# OCUA Public Meetings 1988-89

<b>Date</b>	<b>Location and Participants</b>
March 18, 1988	<b>Ontario Council on University Affairs, Toronto</b> University of Waterloo
April 8, 1988	<b>Queen's Park, Toronto</b> Ontario Institute for Studies in Education Council of Ontario Universities
April 22, 1988	<b>Queen's University, Kingston</b> Queen's University Carleton University University of Toronto University of Ottawa
April 29, 1988	<b>Ryerson Polytechnical Institute, Toronto</b> Ryerson Polytechnical Institute McMaster University Ontario Confederation of University Faculty Associations Confederation of University Staff Associations
May 13, 1988	<b>University of Western Ontario, London</b> University of Western Ontario University of Guelph Wilfrid Laurier University University of Windsor
May 27, 1988	<b>Brock University, St. Catharines</b> Brock University Ontario College of Art Ontario Federation of Students
June 2/3, 1988	<b>Laurentian University, Sudbury</b> Laurentian University Algoma University College Hearst University College Nipissing University College Lakehead University
June 24, 1988	<b>Queen's Park, Toronto</b> York University Trent University



**OCUA Recommendations and  
Government Responses, 1988-89**



# OCUA Recommendations and Government Responses, 1988-89

Recommendation	Title	Response
<b>Advisory Memorandum 88-I</b>		
88-1	Funding Framework for the Provision of General Accessibility for 1988-89 and Beyond	Not Accepted
88-2	Funding Mechanism for Accessibility Envelope to Recognize Increased Accessibility in 1988-89	Not Accepted
88-3	Government Support for Short-term Space Rental for 1988-89 and Beyond	Partially Accepted
88-4	Release of Advisory Memorandum 88-I	Not Accepted
<b>Advisory Memorandum 88-II</b>		
88-5	Co-operative Education Work-term Related Costs Eligible for Coverage Through Compulsory Student Ancillary Fees	Partially Accepted
<b>Advisory Memorandum 88-III</b>		
88-6	Northern Ontario Operations Grants Funding	Accepted
88-7	Northern Ontario Mission Grants Funding	Accepted
<b>Advisory Memorandum 88-IV</b>		
88-8	Government Operating Grants for 1989-90 to Meet the Cost of Council's Basic Objectives in Funding Provincially-Assisted Universities and Their Affiliated Colleges, Ryerson Polytechnical Institute, The Ontario Institute for Studies in Education, The Ontario College of Art, and Dominican College	Not Accepted
88-9	Formula Fee Rates for 1989-90 to Meet the Cost of Council's Basic Objectives	Not Accepted
88-10	Level of Support for Major Repairs, Renovations, Alterations and Replacement Projects in 1989-90 for the Cyclical Renewal of the Existing Capital Stock	Not Accepted
88-11	Level of Support for Deferred Maintenance of Physical Plant in 1989-90 for 1989-90	Not Accepted
88-12	Funding for 1989-90 for the Bar Admission Course	Partially Accepted
88-13	Additional Funding for the Incremental Costs of Bilingualism Programs	Accepted
88-14	Additional Funding for International Graduate Student Fee Differential Waivers for 1989-90	Not Accepted
<b>Advisory Memorandum 88-V</b>		
88-15	Distribution for International Graduate Student Differential Fee Waivers Grants in 1988-89 and Beyond	Accepted



Recommendation	Title	Response
<b>Advisory Memorandum 88-VI</b>		
88-16	Ontario Graduate Scholarship Stipends 1989-90	Accepted
88-17	Number of Ontario Graduate Scholarships for 1989-90	Accepted
88-18	Ontario Graduate Scholarships to Persons on Student Visas in 1989-90	Accepted
<b>Advisory Memorandum 88-VII</b>		
88-19	Distribution of the 1988-89 Program Adjustments Envelope	Accepted
<b>Advisory Memorandum 88-VIII</b>		
88-20	Mission of Algoma College	Accepted
88-21	Relationship with Laurentian University	Accepted
88-22	Appropriate Academic Programs for Algoma College	Accepted
88-23	Extraordinary Funding Grant for Algoma College	Accepted
88-24	Capital Needs of Algoma College	Accepted
<b>Advisory Memorandum 88-IX</b>		
88-25	Allocation of Funding for Disabled Students: 1989-90	Accepted
88-26	Eligible Activities and Expenditures Funded Under the Accessibility for the Disabled Envelope	Accepted
88-27	Capital Support for the Needs of the Disabled	Accepted
88-28	Financial Assistance for Disabled Students	Accepted
<b>Advisory Memorandum 88-X</b>		
88-29	Eligibility of Enrolment in the Master of Applied Environmental Studies Program in Industrial Development at the University of Waterloo for Funding Purposes in 1989-90	Accepted
88-30	Eligibility of Enrolment in the Doctor of Philosophy Program at the University of Toronto for Funding Purposes in 1989-90	Accepted
88-31	Eligibility of Enrolment in the Master of Science Program in Epidemiology at the University of Ottawa for Funding Purposes in 1989-90	Accepted
88-32	Eligibility of Enrolment in the Doctor of Philosophy Program in Mathematics at York University for Funding Purposes in 1989-90	Accepted
88-33	Eligibility of Enrolment in the Master of Music Program at the University of Ottawa for Funding Purposes in 1989-90	Accepted

Recommendation	Title	Response
88-34	Eligibility of Enrolment in the Master of Science Program in Occupational Therapy at the University of Western Ontario for Funding Purposes in 1989-90	Accepted
88-35	Eligibility of Enrolment in the Master of Science Program in Rehabilitation Therapy at Queen's University for Funding Purposes in 1989-90	Accepted
88-36	Eligibility of Enrolment in the Master of Arts Program in Spanish at the University of Ottawa for Funding Purposes in 1989-90	Accepted
88-37	Eligibility of Enrolment in the Doctor of Philosophy Program in Systematic Musicology at the University of Western Ontario for Funding Purposes in 1989-90	Accepted
<b>Advisory Memorandum 88-XI</b>		
88-38	Eligibility of Enrolment in the Bachelor of Applied Arts Program in Child and Youth Care at Ryerson Polytechnical Institute for Funding Purposes in 1989-90	Accepted



# Response to Advisory Memorandum 88-II



Minister  
Ministre

Ministry of  
Colleges and  
Universities

Ministère des  
Collèges et  
Universités

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April 29, 1988

Dr. Paul Fox  
Chairman  
Ontario Council on University  
Affairs  
7th Floor, 700 Bay Street  
Toronto, Ontario  
M2H 2T8

Dear Dr. Fox:

I would like to thank the members of the Ontario Council on University Affairs for Advisory Memorandum 88-II, "Co-operative Education Work-term Related or Placement Fees".

I am pleased to accept the council's recommendation that "co-operative education work-term related costs be eligible for coverage by compulsory student ancillary fees". In accordance with the council's advice, the following types of costs will be considered eligible for coverage:

(i) placement-service costs including:

- ° salaries and benefits of that portion of each position directly related to the provision of co-op placement services and work-term activity, including such positions as placement directors, administrators, managers, co-ordinators, officers, assistants, and administrative and support staff; and,
- ° non-salary expenditures attributable to the provision of co-op placement services and work-term activities including travel, telephone, mailing / postage, printing, photocopying, publicity, computing, equipment and furnishing, supplies and expenses, and external meetings, etc.; and

(ii) maintenance costs of space used for placement service, including costs of utilities, custodial service and security of this space. Eligible space should include:

- ° the space used for administrative and professional placement service staff; and
- ° interviewing or meeting rooms used in the placement function.

The costs of space used part of the time for other purposes should be adjusted according to the proportion of usage for placement service.

The ministry agrees that these activities are external to the normal university activities and that their costs are not part of the normal operating costs of a university for which tuition fees are paid. Furthermore, the ministry notes the methodologies proposed by the council for the calculations of these costs.

While I accept council's conclusion that there are costs associated with evaluating student work term activity, I am not prepared to accept the council's advice that such costs should be eligible for support through compulsory student ancillary fees. The evaluation of work-term activity is a tuition-related activity. At the University of Waterloo for example, work term reports are marked by faculty members rather than placement staff and are evaluated for their academic merit. If a student fails to complete a work term report, the student is transferred to the non-co-op stream and completes a degree without a co-op designation. In accordance with ministry policy effective May 1, 1987 all tuition-related compulsory ancillary fees were prohibited; any revenue resulting from the collection of such fees will be deducted from operating grants.

In recognition of the fact that there are, however, additional costs associated with work-term evaluation, those institutions which can substantiate these costs to the ministry, in accordance with the methodology which is proposed in Advisory Memorandum 88-II, will be permitted an interim discretionary tuition fee increase to recover these costs from their co-operative education students without incurring a reduction in government operating grants. This interim discretionary tuition fee increase will be permitted until such time as a response is made to council's forthcoming advice on the overall costs of operating co-operative educational programs.



In Advisory Memorandum 88-II the council expresses concern that, in some instances, fees charged to cover the costs of the placement services outlined above could, if based on full cost recovery methods described, rise to levels which impede accessibility. While I appreciate this concern, the actual amount to be levied remains to be determined by the relevant universities, and the administration, faculty and students will have the benefit of this memorandum of advice and my reply in addressing the question of an appropriate fee level for placement services. Since the ministry has not limited the level of non-tuition related ancillary fees to date, and since I am not satisfied that there is a basis for doing so now, I am not prepared to accept the council's advice to set a limit on co-operative education work-term related placement fees. I have asked the ministry to continue to monitor these fees, and in particular, to report to me on the fee level set by the universities for 1988-89.

I look forward to receiving further advice from the council concerning the overall costs of running co-operative educational programs.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "Lyn McLeod". The signature is fluid and cursive, with the first name "Lyn" being more prominent and the last name "McLeod" following in a similar style.

Lyn McLeod  
Minister



# Response to Advisory Memorandum 88-VIII



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Ministre

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Colleges and  
Universities

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April 7, 1989

Dr. H.V. Nelles  
Interim Chairman  
Ontario Council on University Affairs  
700 Bay Street  
Toronto, Ontario  
M5G 1Z6

Dear Dr. Nelles:

Thank you for your letter of February 13, 1989, transmitting Advisory Memorandum 88-VIII, "Mission, Programs, and Funding for Algoma College". I would like to thank the council for its effort in providing this well developed and comprehensive advice to me.

I am pleased to accept the recommendations of the council with respect to the mission proposed for the college, the relationship with Laurentian University, the appropriate academic programs to be offered by it, the level of extraordinary grant and the conditions attached to it.

Having a focused mission for the next several years will allow Algoma to enhance its role in the community, strengthen its program offerings, and permit it to continue to offer high quality university programs to its students.

Algoma's enrolment has increased over the last two years, after nearly a decade of declining enrolments. If Algoma can continue to pursue its present course with a focused mission, I would expect that it should continue to grow, and continue to excel in its provision of university level programs.

I find the council's advice on Algoma's mission relevant; it is appropriate that Algoma serve the needs of Sault Ste. Marie and the surrounding region, given the strong

roots that Algoma has in the local and native communities. This mission also recognizes the strength of the college in that it is known for serving its students well.

I also accept the council's recommendation that the present affiliation agreement between Algoma College and Laurentian University be continued. While I recognize that some college members believe that the academic dependence of Algoma has led to hardship, I believe that Algoma is not ready to become an independent publicly-funded university offering the range of programs, faculties and facilities normally associated with university status. The affiliation agreement with Laurentian University allows Algoma to offer honours programs which it otherwise would be unable to offer.

The affiliation agreement was reviewed and revised two years ago. I believe that this new agreement should be given an opportunity to operate, and that the two parties should continue to make every effort to improve the cooperation between their institutions.

I also accept the council's advice that the programs offered by Algoma should reflect Algoma's strengths. The college currently offers a three-year Bachelor of Arts as well as courses leading to a four-year Bachelor of Arts. Courses are also offered which lead to a Bachelor of Science, Honours Bachelor of Commerce and a Bachelor of Social Work (Honours) degree. With the exception of the B.A. (General) program, students now complete one, two, or three years of their program at Algoma and then transfer to Laurentian to complete their degree.

I concur with the council's opinion that Algoma should, in expanding its program offerings, focus on proposed areas such as the Applied Studies Cooperative program and the Bachelor of Business Administration.

I also accept the council's view that the only way to obtain an understanding of Algoma's 'structural deficit', is to analyze the cost of running Algoma as a college with a focused mission, rather than with the diversity of foci that the college has had over many years. Accordingly, I have accepted the council's recommendation that an extraordinary grant of \$760,000 be provided to the college

in 1989-90, provided the college agrees to the five conditions set out in the advisory memorandum.

This represents an increase of 4% over the special grant of \$732,000 provided in 1988-89. I anticipate receiving the council's advice with respect to this extraordinary grant on an annual basis and that the council and college will have an ongoing dialogue with respect to it.

I accept the council's recommendation that Laurentian University supervise the finances of Algoma College. Laurentian is in position to provide this supervision, given the affiliation of the two institutions and the fact that Algoma must have Laurentian Senate approval for program changes. Laurentian staff are also experienced university administrators, and aware of circumstances unique to the north.

With its role and mission and the level of special assistance required to achieve now established, Algoma can concentrate its attention on the pursuit of this mission.

I have also accepted the council's advice "that only capital required to renovate and upgrade existing facilities be considered in the near future". In addition to its allocation under the renovation funding the ministry will be providing \$1,000,000 through its 1989/90 Major Capital Program for the conversion of the vacated former library into class and lecture rooms.

Thank you again for the advice contained in Advisory Memorandum 88-VIII.

Yours sincerely,

A handwritten signature in cursive script, reading "Lyn McLeod". The signature is written in dark ink and is positioned below the typed name.

Lyn McLeod  
Minister















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